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Japan

Officials Deny Acceptance of Rice Market Opening

OW0512054891 Tokyo KYODO in English 0504 GMT 5 Dec 91

[Text] Tokyo, Dec. 5 KYODO—Japan has not changed its policy of banning imports of rice, government sources said Thursday, denying a press report that Tokyo will accept a partial opening of Japan's rice market.

The leading daily newspaper ASAHI SHIMBUN reported in its Thursday morning editions that government leaders have directed Japan's representative at agriculture talks in the Uruguay Round of multilateral trade talks to negotiate on partial opening of Japan's rice market.

Government sources denied the report, saying the Agriculture, Forestry, and Fisheries Ministry, which is handling the matter, is strongly opposed to such a concession at the negotiations, being held under the auspices of the General Agreement on Tariffs and Trade (GATT).

The sources also said the Uruguay Round will not reach at a rough agreement by the end of the year. [sentence as received]

In a related development, a farm panel of the ruling Liberal Democratic Party (LDP) agreed Thursday to reject the so-called "tariffication" proposal put forward at the Uruguay Round talks, which would convert all nontariff trade barriers into tariffs that would be reduced gradually.

Members of the LDP's Agricultural Trade Committee also agreed at a meeting to strengthen Japan's cooperation at the negotiations with Canada, South Korea, and 12 other countries opposing tariffication, LDP officials said.

Foreign Minister Clarifies Remarks on War Blame

OW0512001691 Tokyo KYODO in English 2341 GMT 4 Dec 91

[Text] Tokyo, Dec. 5 KYODO—Foreign Minister Michio Watanabe said Wednesday night his remarks accepting blame for Japan's role in World War II were in line with Tokyo's traditional stance.

"I have not made remarks different from the previous government stance," Watanabe told reporters, clarifying his remarks reported by THE WASHINGTON POST on Wednesday.

Watanabe said he made the remarks because Japan did wrong in the war.

Referring to the return of the Ogasawara Islands and Okinawa to Japan by the United States, the foreign minister said it is unprecedented in history for a country to return territories it occupied with many deaths and injuries.

In an interview with the newspaper, Watanabe was quoted as saying, "We feel a deep remorse about the unbearable suffering and sorrow Japan inflicted on the American people and the peoples of Asia and the Pacific during the Pacific war."

The POST called Watanabe's acceptance of blame the most forceful statement of regret in years by the Japanese Government.

Watanabe was also quoted as saying Japan was lucky to have been occupied by the United States after the war.

Miyazawa Dismisses Call for War Reparations

OW0512064291 Tokyo KYODO in English 0625 GMT 5 Dec 91

[Text] Tokyo, Dec. 5 KYODO—Prime Minister Kiichi Miyazawa dismissed Thursday an opposition legislator's demand to pay war reparations to foreign individuals victimized by Japan's military actions in order to revive international trust in Japan's sense of responsibility.

Miyazawa rejected the demand in his reply to Osamu Yatabe, a member of the No. 1 opposition Social Democratic Party, at a session of the House of Councillors' special committee debating a bill empowering Japan to send its troops to join U.N. peacekeeping operations.

"Although I do not think Japan's moral culpability on its past conduct has vanished, I want (victims) to understand (Japan's inability to pay), as such payments may necessitate an increased tax burden on Japanese people," Miyazawa said.

"Although I can well sympathize with your (Yatabe's) argument, Japan has already legally solved the issue of individuals right to demand war reparations by concluding treaties with the governments of peoples to whom Japan had caused annoyances," he said.

Yatabe said that Asia's deep concern about the probable dispatch of Japanese troops as U.N. peacekeepers has resulted from Japan's failure to express its remorse by concrete reparation payments.

Foreign Minister Michio Watanabe told the committee, "If Japan should pay reparations to individual victims, it would translate into creating vast tax burdens on the Japanese people, as Japan inflicted tremendous damages to them (during the war)," he said.

Watanabe said, "Paying war reparations would be to follow idealism from a humanitarian point of view, but it could trigger a big problem that the government could not control (financially).

"If the Japanese people should agree to pay, such a proposal would be acceptable. The government is agonizing, as it has to draw up standards (in dealing with such requests for war reparations)," he said.

Miyazawa told the committee Japanese constitutional restraints would prevent Japan from sending its forces to join multinational forces similar to the U.S.-led allied forces amassed during the Persian Gulf crisis.

He said, "Under the Japanese Constitution, dispatching the Japanese military overseas and using forces is not justifiable, as Japan's Self-Defense Forces are allowed to use force only for self- defense."

He added, even if the United Nations should create its own military in the future, the Japan Constitution would not allow Japan to integrate part of its military in such U.N. military-sponsored actions or send troops to join it.

He dismissed allegations that he was forced by the former secretary general of the Liberal Democratic Party, Ichiro Ozawa, to drop his earlier opposition to the creation of Japanese peacekeepers and to accept Ozawa's proposal to let Japanese troops to join in the U.N. peacekeeping forces.

In refuting the charges, Miyazawa only said the LDP's intra-party council, headed by Ozawa, is studying "various possibilities" by which Japan might try to contribute to the world community through military means.

Diet Delays Resolution on WWII Responsibility

OW0512082491 Tokyo KYODO in English 0811 GMT 5 Dec 91

[Text] Tokyo, Dec. 5 KYODO—A Diet resolution on Japan's responsibility for World War II is snagged over a dispute between the ruling Liberal Democratic Party (LDP) and the No. 1 opposition Social Democratic Party (SDP) over how to phrase an apology to its wartime enemies, political sources said Thursday.

It is unlikely the resolution will be approved in time for the 50th anniversary of Japan's simultaneous attacks on Pearl Harbor and Southeast Asia, which occurred December 7, 1941 in the U.S., and December 8 in Asian time zones, they said.

The LDP's objection to issuing an apology for World War II strengthened after U.S. President George Bush emphatically rejected a suggestion that the United States might apologize for dropping atom bombs on Hiroshima and Nagasaki, the sources said.

"What is the meaning of issuing a resolution when Bush has said that use of the atom bomb was justified to end the war," a senior LDP official said, speaking on condition of anonymity.

The LDP has long rejected one-sided apologies for the war, which many Japanese regard as the inevitable consequence of being surrounded by hostile powers.

An official at the LDP headquarters said the party might decide not to support any resolution at all. It is customary for the Diet to pass resolutions only when all parties forge a consensus.

The resolution is also snagged over a reference to Japan's future international contributions.

Former LDP Secretary General Ichiro Ozawa is pressing for a statement on Japan's resolve to contribute to world peace to reflect the views of an LDP advisory panel he heads, according to a source close to Ozawa.

The panel is expected to recommend to Prime Minister Kiichi Miyazawa later this month that Japan participate in international collective security activities, such as the U.S.-led multinational forces arrayed against Iraq in the Persian Gulf war.

Ozawa, one of the LDP's up-and-coming leaders, is said to aspire to overturn the conventional interpretation of the post-war Constitution which, according to the government, bans participation in collective security arrangements.

The SDP is opposed to the inclusion of an unqualified reference to international contribution because it fears it would be used to justify legislation currently before the Diet that would allow Japanese soldiers to serve in United Nations peacekeeping forces.

The SDP believes that Japan should boost its international cooperation through nonmilitary means.

The LDP draft of the resolution leaked over the weekend was also to express appreciation for U.S. assistance after the war to help pave the way for Japan's economic recovery.

Spokesman: No South Asia War Apology Planned

OW0512055291 Tokyo KYODO in English 0502 GMT 5 Dec 91

[Text] Tokyo, Dec. 5 KYODO—Japan does not plan to issue an apology to mark the 50th anniversary of its invasion of Southeast Asia because past leaders have already expressed regrets, Chief Cabinet Secretary Koichi Kato said Thursday.

"Past prime ministers have expressed their regrets regarding the damage inflicted on the nations and their people during visits to Southeast Asian Countries and we are in agreement with them," the chief government spokesman told a regular news conference.

"As the prime minister (Kiichi Miyazawa) has said in the Diet, we must continue to renew our feelings as we consider the future of Japan but we are not preparing any declaration" of apology, Kato said.

Although the focus of government and media attention here has been on Tokyo's December 7, 1941 (December 8, Japan time) attack on Pearl Harbor, Japan also invaded Southeast Asia that day.

Japanese forces beached on the Malay Peninsula, then a British colony, more than an hour before the Pearl Harbor attack. Hours after Pearl Harbor, Japanese aircraft attacked U.S. bases in the Philippines.

Envoy to Singapore on War Commemoration Events

OW0512101891 Tokyo KYODO in English 1005 GMT 5 Dec 91

[Text] Singapore, Dec. 5 KYODO—The Japanese envoy to Singapore said Thursday that Japan should reflect on its past mistake as Singapore observes the 50th anniversary of Japan's invasion of the country during World War II.

"This is a good occasion for Japanese people also to think about the mistake we made 50 years ago," Ambassador Takehiro Togo said.

Togo, replying to reporters' questions about his reaction to a series of events being organized in Singapore to commemorate the war, said the embassy was taking it all in stride.

Singapore's Ministry of Information and the Arts has planned events such as exhibitions and testimonials from war survivors, in an effort to remind younger generations of the sacrifices made during the war as well as the importance of defense.

"I think this is a legitimate objective and we're taking it very calmly on our side," Togo said.

He said that the Japanese in Singapore would be ready to take part in some of the events if they are invited.

Although the embassy has not made any official proposal asking to participate in the events, some possible ideas on the subject were exchanged during private conversations with Singaporean officials, Togo said after presenting a speech at a luncheon organized by the Foreign Correspondents' Association.

In his speech, Togo said he felt regret over Japan's past actions in the region, apparently referring to Japan's invasion and occupation of Southeast Asian countries during World War II.

"One has to admit and repent one's mistakes in the past in order to obtain understanding and trust from others for one's present and future actions," Togo said.

He added, "It is an undeniable fact that Japan's actions in those days inflicted unbearable suffering and sorrow upon many people in the Asia-pacific region."

"It is especially distressing to me that a large number of people were victimized by the actions of the Japanese military in this area," he said.

Kaifu Addresses Symposium on Asian Relations

OW0512053591 Tokyo KYODO in English 0456 GMT 5 Dec 91

[Text] Tokyo, Dec. 5 KYODO—Former Prime Minister Toshiki Kaifu called Thursday for creating an environment of stability and secure development in the South Asian region.

Kaifu, speaking at a symposium on Japan-South Asia relations at the Foreign Ministry, also said he hopes the leaders of the region will promote cooperation through the South Asian Association for Regional Cooperation (SAARC) from a global perspective.

"As we build a new world order for the future, I anticipate that this region will make a valuable contribution to it, given its long, proud history and rich cultural tradition as well as its many years of political experience in the international arena as leading countries of the third world," he said.

Humanity, he said, faces many issues of common concern which must be tackled on a global scale, such as support for the economic development of the developing nations, environmental problems, refugees, drugs and terrorism.

"The industrialized nations and the developing nations should tackle these problems together, finding new approaches which transcend the old framework of East-West and North-South relations," Kaifu said.

Kaifu, who visited five South Asian nations in 1990 as the first Japanese prime minister to visit the region in 23 years, was a guest speaker at the symposium sponsored by the Foreign Ministry. It was Kaifu's first major speech since stepping down from power in early October.

Intellectuals from Bangladesh, India, Nepal, Pakistan, and Sri Lanka, as well as Japan, are participating in the two-day forum which will last through Friday.

He said international changes symbolized by the end of the cold war have altered the traditional pattern of confrontation in South Asia and that the world's eyes are now directed at regional disputes.

"As pressure from great powers outside the region decreases, attention is turning now to the possibility of conflict arising from the region's ethnic, religious, linguistic, and cultural diversity, against the unique background of the South Asian region," Kaifu said.

Turning to relations between Japan and the South Asian nations, Kaifu said they have lagged behind in overall "breadth and depth" in comparison with ties with Southeast Asia.

He noted that he sensed keen apprehension on the part of South Asian countries that changes in Eastern Europe and the Soviet Union might lead both the East and West, including Japan, to stop providing assistance to the region.

The former prime minister said he emphasized during his visit that "Japan would never back away from commitment to South Asia" for the sake of supporting Eastern Europe.

Japan is ready to provide a wide range of help to the SAARC, the seven-nation group formed in 1985 by

Bangladesh, Bhutan, India, the Maldives, Nepal, Pakistan, and Sri Lanka, Kaifu said.

"While I was in office, Japan continued positively supporting South Asia. And I firmly believe that this policy should continue in the future," he said.

Japan, he said, has extended "intellectual support" and dispatched election observer teams to support democratization in South Asia, as well as sending economic missions.

Kaifu also said the Japan-South Asia Youth Friendship Program, which he announced during his visit, was launched in fiscal 1991.

The program is designed to invite 500 South Asian youths to Japan over a period of five years. About 100 have so far visited Japan.

Philippine Senator Warns Against UN Forces Role

OW0412125091 Tokyo KYODO in English 1214 GMT 4 Dec 91

[Text] Tokyo, Dec. 4 KYODO—Philippine Senator Wigberto Tanada warned Wednesday that the passage of a bill allowing Japan's Self-Defense Forces personnel to take part in peacekeeping operations abroad might tempt Japan to try to become a military superpower.

"The first step may lead to so many other steps (in expanding Japan's military)," he said.

He also cautioned that a build-up of Japan's military capabilities might bring about instability in Asia by triggering an arms race among Asian nations which still have bitter memories of Japan from World War II.

Tanada issued the warning at a news conference at the Japan National Press Club after flying to Tokyo earlier in the day.

He came here one day after proposing in the Philippine Senate the adoption of a resolution expressing concern over the probable future dispatch of Japanese troops to join UN peacekeepers in Cambodia and other countries.

His bill incorporates a testimony by Adm. Huntington Hardisty, commander-in-chief of the U.S. Pacific Command, at a U.S. Senate hearing that, "It is not in the best interest of the United States, of the Japanese people or of the stability of Asia for Japan to develop power projection capabilities."

Tanada led a campaign to remove the Subic Bay Naval Station from the country. As a result of the campaign, the Senate refused to sign a treaty that would allow the U.S. Government to secure a continued military presence in the Philippines.

The Philippines and other Asian countries greatly appreciate and welcome Japan's economic contributions to peace and development in Asia, but they cannot help harboring anxieties about a military build-up that may follow the dispatch of Japanese troops, he said.

"The tremendous amount of money (Japan is going to use) in this arms build-up can be used to alleviate poverty in other countries in need," the senator said.

He said the Philippines is concerned that Japan may try to take the place of the United States in Asia following the impending withdrawal of the U.S. military from Subic Bay.

"I think the apprehension and concern are there, because of what happened to our country and other countries in Southeast Asia," he said, in reference to atrocities committed by the Japanese military before and during the war years.

He dismissed arguments that someone would have to fill the vacuum caused by the pullout of U.S. forces from Subic Bay, saying, "our contention is that there is not going to be any vacuum because of the (continual) presence of American military bases in so many other countries in this region."

On the argument that Japan's involvement in UN peacekeeping operations could serve to reduce its military build-up, he said Japan might not feel obliged to abide by resolutions passed by the UN Security Council.

"UN member states are not automatically bound to comply with resolutions passed by the UN Security Council," he said.

On Tuesday, Foreign Minister Michio Watanabe told the Diet Japan would be barred from sending its troops as UN peacekeepers if China, as one of the five permanent members of the UN Security Council, uses its veto to oppose the deployment of Japanese troops.

Finance Ministry Compiles Supplementary Budget

OW0512125791 Tokyo KYODO in English 1202 GMT 5 Dec 91

[Text] Tokyo, Dec. 5 KYODO—The Finance Ministry reported to the ruling Liberal Democratic Party (LDP) on Thursday that the ministry compiled a supplementary budget of 266 billion yen for the current fiscal year, a ministry official said.

The cabinet is expected to approve the supplementary budget at its meeting Friday morning, and submit it to the extraordinary Diet session, the official said.

In compiling the supplementary budget, the ministry revised the tax revenue projection for fiscal 1991 by 2,782 billion yen downward from the original figure. The downward revision of the government's tax revenue projection is the first in five years, the official said.

The ministry limited the additional fiscal expenditure to such absolutely necessary spending as financial assistance to the regions devastated by typhoons and other natural disasters and wage hikes for public workers, he said.

The size of the supplementary budget for fiscal 1991 is quite small, compared with the ones in the past four years, which amounted to around 3-5 trillion yen each year.

The ministry has also decided to add 1.75 trillion yen to fiscal investment and loans for fiscal 1991 in response to growing calls within the LDP for a fiscal stimulant to boost a sagging economy.

The 1.75 trillion yen addition to the so-called "second budget," which is financed by nontax sources like postal savings, is double the size of the last year's addition of 879.8 billion yen and the largest ever, the ministry official said.

The ministry has earmarked 1,324.4 billion yen in additional fiscal demand for the fiscal 1991 budget, which includes 608.4 billion yen in aid to areas that have suffered damage from natural disasters and 326.7 billion yen for wage hikes for public workers.

In order to meet the additional budgetary demands and falling tax revenues, the ministry has decided to issue 1,387 billion yen of construction bonds and to use all of the 998.3 billion yen of surplus funds in the fiscal 1990 budget.

The ministry has also generated another 883.7 billion yen by cutting some of the earmarked outlays, and obtained 258.5 billion yen from nontax sources such as the Bank of Japan's fiscal payments.

Officials Detail Construction Bond Issuance Plan

OW0512093891 Tokyo KYODO in English 0851 GMT 5 Dec 91

[Text] Tokyo, Dec. 5 KYODO—The government plans to issue more than 7 trillion yen worth of construction bonds in fiscal 1992, or 2.5 trillion yen more than previously planned, to cover an expected revenue shortfall, Finance Ministry officials said Thursday.

They said revenues from the sale of the bonds, to be issued up to the maximum limit, will be used to cover part of the 1.3 trillion yen worth of government projects being financed by the sale of government-owned shares in Nippon Telegraph and Telephone Corp. (NTT).

The planned sale of NTT shares before the end of fiscal 1991 has become difficult because of the stock market slump, the officials said.

The additional issue of construction bonds will make the government dependent on bonds for about 10 percent of 1992 revenues.

This will make it extremely difficult for the government to achieve its target of reducing the rate to 5 percent by fiscal 1995 under the Finance Ministry's financial reconstruction program.

Planning Agency Reports GNP Up for Jul-Sep

OW0412095891 Tokyo KYODO in English 0850 GMT 4 Dec 91

[Text] Tokyo, Dec. 4 KYODO—Japan's gross national product (GNP) grew a real 0.4 percent in the July-September period from the previous quarter, supported by relatively firm domestic demand, the Economic Planning Agency (EPA) announced Wednesday.

The seasonally adjusted, preliminary GNP figure came to 422,628.7 billion yen. Growth translated into an annual rate of 1.6 percent.

The agency's Vice Minister Yasuo Katsumura said the figure, however, reflects the slowdown of the Japanese economy into a more moderate pace of growth.

GNP had grown 0.7 percent in the April-June quarter from the previous quarter.

Katsumura projected that the government's target rate of 3.8 percent rate for annual growth for this fiscal year ending next March could be accomplished. According to estimation by the EPA, an average rate of 0.74 percent growth in each quarter is necessary to reach the goal.

The vice minister said the effects of lower domestic interest rates are appearing in the figures, while the impact of the burst of the so-called "bubble economy" has largely faded.

He said both personal consumption and investment in plant and equipment stood firm, while housing starts showed a slight recovery. Katsumura added the capital investment figure is unlikely to flip to the negative side in the future.

On the basis of gross domestic product (GDP), the economy grew 0.3 percent from the quarter before for an annual 1.3 percent pace, to 419,799.1 billion yen. GDP figures omit overseas income.

Atsushi Miyawaki, senior economist with the Japan Research Institute, agreed with the EPA vice minister, saying that the GNP figures backed the slowdown of the nation's economy.

But Miyawaki disagreed with Katsumura on individual items, calling the Katsumura's view "too optimistic." He projected personal consumption, which comprises about 60 percent of GNP, will weaken in the following quarters.

Miyawaki said the rebound of private-sector capital spending is merely a reaction to the slumping April-June performance, and is far lower than the levels above 2 percent recorded in earlier quarters.

Regarding the impact of the GNP figures on compiling Japan's state budget for the next fiscal year, Miyawaki predicted the Ministry of Finance will be forced to reduce its plans for general-account expenditures.

He predicted the government's target of economic growth for fiscal 1992 should remain in the lower 3 percent range, and hence, would lead to pressuring the expected tax revenue.

Domestic demand contributed 0.4 percentage point to the total third-quarter GNP growth, while external demand sliced less than 0.1 point off the overall growth.

Private-sector consumption, which accounts for about 60 percent of GNP, increased a real 0.9 percent in the July-September period from the previous quarter.

The agency attributed the continued steady private consumption mainly to an increase in demand for such durable goods as furniture and a recovery in overseas traveling.

Private capital spending rose 0.7 percent in the third quarter from the 0.8 percent quarter-to-quarter decline in the April-June period, while housing investment continued to retreat, falling 2.2 percent from the previous quarter.

Government consumption fell 1.4 percent in the third quarter as a reaction against a temporary factor—sales of gold coins in the market—in the April-June period.

Government fixed capital remained high, edging up 0.3 percent from the previous quarter.

Exports increased 2.1 percent in real terms in the July-September quarter, while imports rose 2.5 percent.

Despite the expected weak economic growth, Hideki Furuya, senior economist at Sanwa Research Institute, said the Bank of Japan may not cut its official discount rate again soon following a cut last month.

It will take three to six months for the November 14 rate cut to have substantial effect, he said.

North Korea

Preparations for 5th High-Level Talks Held

SK0512110291 Pyongyang KCNA in English 1055 GMT 5 Dec 91

[Text] Panmunjom December 5 (KCNA)—A contact of chief liaison officials for the fifth North-South high-level talks took place in the South side's portion of Panmunjom this afternoon.

The sides discussed the timetable of the fifth talks and other working matters.

U.S. Economic Problems Cause Military Policy

SK0512051991 Pyongyang Korean Central Broadcasting Network in Korean 0018 GMT 5 Dec 91

[NODONG SINMUN 5 December commentator's article: "Why Are They Trying To Turn the Korean Peninsula Into a Flash Point?"]

[Text] The United States, which has threatened us with the nuclear inspection issue, frantically kicked up antirepublic commotions in connection with this issue on an unprecedented scale at the recent 23d U.S.-South Korean Security Consultative Meeting in Seoul. At the meeting, the United States and the South Korean puppets babbled about the North's nuclear weapons development and discussed the possibility that if we do not accept the nuclear inspection, they would cancel the plan to withdraw the U.S. nuclear weapons from South Korea and the plan for the phased reduction of U.S. troops from South Korea. They would deploy Stealth bombers, Patriot antimissile missiles, and other high-technology military equipment in South Korea, and impose a naval blockade and economic sanctions against us. They, who have gone to the extreme of threatening to forcibly conduct an inspection of us, are now openly exposing their vicious attempt to provoke a nuclear war on the Korean peninsula.

The United States, who considers itself to be a superpower, is threatening our republic, a small nonnuclear state that has consistently carried out a peace-loving policy, by conducting an antirepublic campaign in the world, and kicking up war commotions. This is a mean act. This clearly exposes the imperialists' colors.

Out of their aggressive and plunderous nature, the imperialists consider their strength to be an important means. In particular, whenever they face an economic crisis, they try to find an exit out of it in war. The United States is deliberately aggravating the situation of opposing our republic. This ominous move is a desperate attempt by the United States, which is panting for breath because of the crisis facing it, to escape from this crisis.

The situation in the world is undergoing various changes today. The cold war structure, which had been brought about by the confrontation among the superpowers, has crumbled, and multipronged international relations are forming afresh. People's aspirations for peace have been growing, and the arms reduction and detente have become an important trend in the international situation. Under today's circumstances in which it fails to find an adversary for acute military confrontation and in which countries and people want peace, the United States has been deprived of pretexts for continuously maintaining its massive military power, its means for the cold war, and its enormous capabilities to manufacture military equipment. As a result, a dark cloud of recession is heavily hovering over the war industry, a main pillar of the U.S. economy. The weapons exports, one of the United States's important sources of income, are at the point of reduction. If this continues, the monopolistic war-industry companies will suffer enormous losses, the economic crisis will worsen, and as a result, the United States will not be able to avoid being reduced to a second-class country in the world. Nevertheless, the United States cannot convert from military to civilian use overnight. This is because such a conversion will take an enormous amount of money and time and because the U.S. imperialists' expansionist ambition and policy of war cannot swallow such a conversion. As a result, the U.S. economy will have no alternative but to be left farther behind than those of other Western countries.

In fact, the U.S. economic position in the world is being degraded. The U.S. gross national product accounts for less than it used to in the combined capitalist world, and its position as the world's largest creditor is lost.

Because other capitalist countries have attained high economic and technological levels and the phenomenon is growing that the world economy is being divided into blocs, the competitive edge of the U.S. capital and goods has been degraded, and, the advancement of foreign capital and commodities into the United States has grown. As a result, the U.S. annual trade deficit amounted to $100 billion to $160 billion for the past few years, the U.S. federal government's budget deficit reached $260.9 billion in 1991, and its foreign debt reached $760 billion as of early 1991. The United States, once the world's largest creditor, has been reduced today to the world's largest debtor nation and beggary.

The economic ruling system which the United States has maintained in the capitalist world is shaking at its roots. The tendency that the Western capitalist countries give priority to economic affairs has been further widening an economic gap between the United States and other capitalist countries. The United States, failing to endure stiff competition from them in the economic domain, is drinking a bitter cup of defeat one after another. A gap between the U.S. monopolists' boundless expansionist desire and reality has never been wider than it is today. This is a serious blow to the U.S. ambition to conquer the world. Under these circumstances, the United States considers it to be the only way to resolve the crisis and maintain its position as a ruler in the world to continuously maintain the policy of aggression and war, aggravate tension, and deliberately create a flash point for war. By using this policy of creating a flash point to prevent the trend that priority is given to economic affairs and to give priority to military confrontation, the U.S. reactionary ruling class is trying to invigorate the U.S. economy and, in particular, the war industry, boost the overall U.S. economy, and create a pretext for enormous military expenditures.

By doing so, the U.S. imperialists are trying to chain their allies, suzerain countries, and puppets to the U.S. war chariot, to use them in aggression, and to raise the demand for U.S. weapons in these and in other countries as well.

Countries where the United States aims to create a flash point and then trigger a war with its policy are mainly in Asia, Africa, and Latin America and, in particular, the anti-imperialist, independent, and progressive countries in these regions.

The policy of creating a flash point is a major part of the U.S. global strategy at a time when the relations of confrontation between the East and West centered around the superpowers is breaking down. According to this strategy, the United States is now bent on mercilessly forcing small but independent countries to sacrifice themselves in defending its interest.

To the dictate of this crafty and heinous policy, the United States triggered the Persian Gulf war and is about to repeat this in Korea under the pretext of nuclear inspection.

Why has the United States now selected Korea as a major target of its flash point policy? It comes from the common demand of the global strategy, the strategy toward Asia and the Pacific, and the strategy toward Korea as pursued by the United States.

Boasting that the antisocialist cold war in Europe has come to an end and that it has emerged as the victor, the United States assumes the Eastern Hemisphere, Asia, and the Pacific as the focal point of its global strategy and the next major stage of a policy of military confrontation against socialism, thereby attaching importance to the Korean peninsula, a strategically important area, and directing the brunt of confrontation at our republic which is vigorously flying the banner of anti-imperialist independence, the socialist banner.

Proceeding from the demand of its strategy toward Asia and the Pacific, the United States also wants to keep dominating and controlling South Korea, the foremost front base from which to launch a military attack, according to this strategy, while maintaining its occupation of South Korea with its troops and nuclear weapons and strengthening war preparations.

What is more, the United States, basing itself on its strategy toward Korea, has even worked out a scenario for a new war in Korea to deepen Korea's division and realize its wild ambitions for invading all of Korea.

A new U.S. military strategy, also known as a strategy of settling feuds, is being used to serve this purpose. The United States tries to take the warpath by deliberately encouraging feuds on the Korean peninsula and fueling the anti-republic cold war based on this new military strategy.

Seeking to realize precisely this goal, the United States, after manufacturing the fiction of "our development of nuclear weapons," is babbling as if we were creating a nuclear threat and, using this as an excuse, is now scheming to turn the Korean peninsula into a flash point of tension and war.

We are involved in a resolute struggle to realize the proposal for turning the Korean peninsula into a nuclear-free, peace zone, for the peaceful reunification of the country, and for relaxing tensions in Asia and have made every possible effort to resolve the Korean question by peaceful means through Korea-U.S. talks and North-South talks. Therefore, what can be more brazen-faced than to draw us into playing a filthy war game by deliberately provoking us with "a blockade or sanctions" and to realize their wild ambitions for aggression?

As is widely known, we have no nuclear weapons. Nor do we have the intention or ability to develop them. It is not us that creates the nuclear threat on the Korean peninsula, but the United States that has deployed about 1,000 nuclear weapons for action in South Korea and that has been conducting nuclear war exercises against us without interruption.

Nonetheless, the United States is trying to force unilateral nuclear inspection on us. This is a brigandish logic akin to suggesting that somebody else's pockets be searched to see whether he has nuclear weapons or not while refusing to produce nuclear weapons from one's own pockets.

In essence, the U.S. policy of neither confirming or denying the presence of nuclear weapons is nothing but U.S. nuclear tyranny as it is a crafty policy designed to secretly bring nuclear weapons into other countries and, even if the nuclear weapons are withdrawn from these countries, to bring them back at any given time without letting anyone know.

There is no need to say that such tyranny should not be condoned. If the U.S. authorities really want inspection of our nuclear facilities, they should completely withdraw their nuclear weapons in South Korea, discontinue such provocative nuclear war exercises as the Team Spirit joint military exercise without delay, and take practical measures for the removal of the nuclear threat, including legal guarantees that they would not threaten us with nuclear weapons, so that we can freely agree on nuclear inspection.

The dust kicked up by the U.S. imperialists in relation to nuclear inspection has created an extremely grave situation on the Korean peninsula, arousing great concern in the people of Asia and the world at large who hope for peace on the Korean peninsula and its peaceful reunification.

Our people are keenly watching the U.S. and the South Korean authorities' war moves, which are becoming more obvious with each passing day, with a high degree of vigilance and are full of the firm resolve to resolutely crush all their provocative moves and defend the rock-firm peace on the Korean peninsula and our socialist system.

In a statement released by the Foreign Ministry on 25 November, our republic put forward a new, important proposal for guaranteeing peace on the Korean peninsula. Instead of provoking us by their military adventure, the United States and the South Korean authorities should accept our new, realistic proposal and respond to Korea-U.S. [Chomi] negotiations and North-South negotiations without delay.

Under no circumstances will a military adventure on the Korean peninsula be in the interest of the United States.

U.S. Scheme To 'Ignite' War Condemned

SK0512052991 Pyongyang KCNA in English 0407 GMT 5 Dec 91

[Text] Pyongyang December 5 (KCNA)—A recent issue of the Cuban paper GRANMA carried a commentary condemning the United States for more openly scheming to ignite another war in Korea while pressing unilateral nuclear inspection upon Korea.

The commentary said:

What is the real purpose of the U.S. campaign against the Democratic People's Republic of Korea?

With its wild ambition to expand "new order" worldwide and force its law upon it at its discretion the United States is threatening and blackmailing the DPRK to tear it off the road of socialism and, furthermore, scheming to make a similar attack on other opposition forces of Asia.

The United States is hindering the talks for the normalization of diplomatic relations between the DPRK and Japan and put the South Korean puppets under an obligation to finance the supplies and upkeep of the U.S. troops to be dispatched to South Korea, supply fuel and provide harbours, airfields, roads and human resources during wartime.

All this is reversing the process of detente which was beginning to develop between the North and South of Korea, bringing into relief the nature of open aggression against the DPRK and fully exposing the aim of imperialism to establish "a new order" whereby to implement without spending the commitments to the maintenance of military bases and troops abroad.

The United States and its allies are forcing unilateral nuclear inspection of the DPRK.

But the DPRK is refusing it and declared it would accept only simultaneous nuclear inspection of itself and South Korea.

In conclusion the commentary recalled that the United States is continuing the supply of sophisticated conventional weapons to its troops stationed in South Korea and Japan, while staging a campaign against the DPRK with regard to nuclear inspection.

U.S. Holds Military Exercises 2-3 Dec

SK0512054291 Pyongyang KCNA in English 0416 GMT 5 Dec 91

[Text] Pyongyang December 5 (KCNA)—The Pacific Air Force and Navy commands staged in the skies above South Korea military exercises for a surprise attack upon the strategic targets in the inland of the northern half of Korea in coordination with formations of fighter bombers, assault planes and observation planes of the U.S. Seventh Air Force and the South Korean puppet air force, according to military sources.

On December 2 the U.S. imperialists launched war exercises of refuelling in the air some 10 fighter bombers and assault planes during the aerial military drill and of airlifting combat and strategic materiel to the operation area by large transport planes.

On December 2 and 3 puppet units fired some 200 shells and some 2,100 bullets by 12.7 mm large calibre light machine guns and m-16 automatic rifles toward the area near the demilitarized zone.

On December 3 puppet tank, artillery and motorized infantry units staged an attack operation exercise against the North including breaking through the Military Demarcation Line under the support of some 20 fighter bombers and assault planes.

Formations of puppet armed helicopters and transport helicopters held aerial attack, parachuting and supplies dropping exercises on December 2 and 3.

A total of more than 1,000 military planes participated in the war exercises against the northern half of Korea in the skies above South Korea on December 2 and 3.

'Team Spirit' To Be Stepped Up Drastically

SK0512051791 Pyongyang KCNA in English 0426 GMT 5 Dec 91

["Criminal Act Against Dialogue and Reunification"—KCNA headline]

[Text] Pyongyang December 5 (KCNA)—The U.S. imperialists and the South Korean puppet ruling group announced that the "Team Spirit" joint military exercises would be stepped up drastically with the mobilization of weapons of the latest type used in the Persian Gulf war and after the military maneuvers the weapons would be deployed in South Korea, including "Stealth" fighter-bombers, "Patriot", "Tomahawk" and other latest-type missiles and AWACS planes.

Papers here today brand the war provocation moves as a criminal act going against dialogue and reunification, as an adventurous line of war.

The war maneuverings are an intolerable challenge to our sincere efforts for peace and an unpardonable criminal act of menacing North-South dialogue, wrecking peace on the Korean peninsula and laying new grave obstacles in the way of peaceful reunification, an analyst of NODONG SINMUN says, and continues:

We have advanced a flexible proposal to stop the "Team spirit" for at least two or three years, while the inter-Korean high-level talks are under way if the South side found it difficult to put a complete period to it.

Nevertheless, the U.S. imperialists and the South Korean authorities have staged the "Team Spirit" in disregard of our repeated peace overtures and magnanimity and are now threatening to drastically intensify it. It is as clear as noonday why they answer our proposal to promise nonaggression and live in peace with continued large-scale military exercises and throw down the gauntlet against us who demand a halt to the joint military exercises to achieve progress in the dialogue by intensifying them still further. They seek in this to disturb peace and lead dialogue to a rupture.

By trying to further step up the joint military exercises the U.S. imperialists and the South Korean puppets revealed of their own accord that they are clean indifferent to peace and dialogue in Korea and do not want reunification.

The U.S. imperialists and the South Korean war-thirsty elements must clearly realize that it is an anachronistic act to persist in the policy of confrontation of the old times and try to gain something by means of "strength" at a time when the world is moving toward detente, peace and disarmament and the whole country is longing for peace and reunification of the country.

MINJU CHOSON in a signed commentary warns the U.S. imperialists and the puppets not to run amuck, obsessed with the anachronistic daydream, but to discontinue their adventurous war moves and take the road of peace.

Workers Party Cables U.S. Communist Party

SK0512112991 Pyongyang KCNA in English 1030 GMT 5 Dec 91

[Text] Pyongyang December 5 (KCNA)—The Central Committee of the Workers' Party of Korea sent a message of greetings today to the 25th congress of the Communist Party of the United States of America (USA).

The Communist Party of the USA has waged an unremitting struggle to defend the revolutionary principle of the working class and champion the vital rights of the U.S. people in the past, the message says, adding:

We express the belief that the 25th congress of the Communist Party of the USA will make a great contribution to consolidating its unity and cohesion and accomplishing its cause of justice by closely uniting the working masses of broad segments behind the party.

Expressing the conviction that the excellent relations of friendship and cooperation between the two parties will grow stronger and develop in the future in accordance with the idea of independence, peace and friendship, the message wishes the congress great success in its work.

ROK, U.S. Opposition to Inspection Denounced

SK0312122591 Pyongyang Korean Central Broadcasting Network in Korean 1150 GMT 28 Nov 91

[Commentary by station commentator Chong Pong-kil: "Dirty Remarks by the Guards of the Nuclear Weapons"]

[Text] Embarrassed by our recent demand for a simultaneous nuclear inspection, the South Korean puppets indulge in traitorous acts against the nation by making reckless remarks.

According to a Seoul report, puppet Defense Minister Yi Chong-ku, at the puppet National Assembly, babbled that nuclear weapons possessed by nuclear states cannot be subjected to nuclear inspection according to a so-called international law and said that our demand to inspect the U.S. nuclear weapons in South Korea is wrong.

According to a report in Japan's NIHON KEIZAI on 23 November, puppet Prime Minister Chong Won-sik also made a remark, before Yi Chong-ku made his, opposing the inspection of the U.S. nuclear weapons in South Korea.

These remarks are a malicious challenge to our people, who demand simultaneous nuclear inspection, and to the peace-loving people of the world, and can be made only by the vicious national traitors and colonial servants who are trying to stretch out their dirty lives dependent on the U.S. nuclear weapons.

As everyone knows, the DPRK Foreign Ministry released a statement on 25 November reitering the stance of the government of the Republic, demanding simultaneous nuclear inspection of the North and South.

The issue of simultaneous nuclear inspection is essential to removing the nuclear threat from the Korean peninsula and to establishing a consolidated peace on it. The nuclear threat comes from the South to the North, and some 1,000 U.S. nuclear weapons in South Korea are amplifying the danger of nuclear war on the Korean peninsula.

We have declared before, and not just once or twice, that we have neither the intention nor the ability to develop nuclear weapons. Therefore, if nuclear inspection is needed, it should be done simultaneously in South Korea where the U.S. nuclear weapons are deployed and on our side where no nuclear weapons exist.

Such a DPRK stance also complies with the principle of equity. Our proposal is invariably supported not only by our people but also by the peace-loving people of the world because it is fair and just.

Even William Taylor, vice director of the U.S. Research Center for Strategic and International Affairs, in an interview with a South Korean newspaper, said that there must be no problem in accepting the North proposal for simultaneous nuclear inspection, as the U.S. already announced the withdrawal of its nuclear weapons from South Korea, and urged the U.S. and the South Korean authorities to accept the proposal.

At a time when even U.S. political figures support the DPRK proposal of simultaneous nuclear inspection and urge the U.S. and the South Korean authorities to accept it, the puppets oppose it and make absurd remarks that nakedly reveal their secret intention to continuously retain the U.S. nuclear weapons. This clearly shows their loathsome nature as flunky traitors and guards of the U.S. nuclear weapons without any sense of duty as Koreans.

The puppets are mentioning the absurd so-called international law or something. However, the nuclear weapons—the object of the DPRK's demand for simultaneous inspection and withdrawal—are the very U.S. nuclear weapons illegally deployed in South Korea, not the ones on U.S. territory or other places.

About 1,000 U.S. nuclear weapons in South Korea can cause nuclear war on the Korean peninsula and the destruction of our nation. This is illustrated in the Team Spirit war exercise, a nuclear war test and a preparatory war, that the United States conducts in South Korea every year. It mobilizes equipment for nuclear war and military power from the U.S. mainland and the Pacific area, as well as the nuclear weapons in South Korea, and stages nuclear war exercises every day, such as aerial nuclear strike exercises, and so on.

Far from protesting the U.S. maneuvers aimed at a nuclear war to destroy all the people of our nation, the South Korean puppets do everything to protect the U.S. nuclear weapons. They are indeed deadly enemies of the nation, not hesitating even to bring a nuclear disaster to the nation to stretch out their dirty lives and to keep the country divided forever.

It is a silly dream of No Tae-u group to try to keep U.S. nuclear weapons in South Korea permanently and to use them for self- protection. The U.S. imperialists and nuclear weapons in South Korea will be withdrawn without fail through the just struggle of our people and the peace-loving people of the world.

What the U.S. imperialists and No Tae-u group should do now is to remove the 1,000 U.S. nuclear weapons and the U.S. forces of aggression as soon as possible, and not make a stir about someone else's imaginary nuclear development.

Foreign Minister Greets UN Secretary General

*SK0512055691 Pyongyang KCNA in English
0442 GMT 5 Dec 91*

[Text] Pyongyang December 5 (KCNA)—Foreign Minister Kim Yong-nam sent a message of greetings to Butrus Ghali upon his election as secretary-general of the United Nations.

In the message he says:

Your election as secretary-general of the United Nations at a time when the demand of the times regarding the mission and role of the United Nations in the international relations is growing stronger is an expression of deep trust in and expectation of the international community from you.

Expressing the belief that you, with your long political and diplomatic experience and skilful activities, will greatly contribute to making the U.N. discharge its mission and role in conformity with the aspirations of the world people as a body of peace and cooperation, I sincerely wish you success in your responsible work.

Kim Il-Song Sends Special Envoy to Cuba

SK0512114291 Pyongyang KCNA in English 1051 GMT 5 Dec 91

[Text] Pyongyang December 5 (KCNA)—Kim Yong-sun, secretary of the Central Committee of the Workers' Party of Korea [WPK], left here today to visit the Republic of Cuba as a special envoy of the great leader President Kim Il-song.

He was seen off at the airport by Kim Hyong-u, deputy director of a department of the WPK Central Committee, and Juan Jose Leon Vega, Cuban ambassador to Korea.

Pak Song-Chol Meets Vietnamese Women's Delegation

SK3011042791 Pyongyang KCNA in English 0403 GMT 30 Nov 91

[Text] Pyongyang November 29 [date as received] (KCNA)—Pak Song-chol, Politburo member of the Central Committee of the Workers' Party of Korea and vice-president of the Democratic People's Republic of Korea, met and had a friendly conversation with the Vietnamese women's delegation headed by Truong My Hoa, secretary of the Central Committee of the Communist Party of Vietnam and vice-president of the Vietnam Women's Union, at the Mansudae Assembly Hall on November 29.

Present on the occasion were Kang Chom-suk, general secretary of the Central Committee of the Korean Democratic Women's Union, and Nguyen Van Trong, Vietnamese ambassador to Korea.

Delegation Leaves

SK0512075191 Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 30 Nov 91

[Text] A Vietnamese women's delegation led by Truong My Hoa, secretary of the Central Committee of the Vietnamese Communist Party and vice chairman of the Women's Union of Vietnam, left by train on 30 November. The delegation was seen off at Pyongyang railway station by Kang Chom-suk, general secretary of the Central Committee of the Korean Democratic Women's Union; and Nguyen Van Trong, ambassador of the Socialist Republic of Vietnam to our country.

Fulfillment of Revolutionary Tasks Urged

SK0412040691 Pyongyang Korean Central Broadcasting Network in Korean 0031 GMT 29 Nov 91

[NODONG SINMUN 29 November editorial: "Let Us All Reliably Carry Out Assigned Revolutionary Duties"]

[Text] The high sense of responsibility and the attitude of being the master which our party members and the working people have toward their assigned revolutionary duties find emphatic expression in reliably defending their revolutionary outposts designated by the party.

The dear leader Comrade Kim Chong-il has indicated: All the working people should defend the major outposts of socialist construction and, thus, perform labor exploits.

For our party members and the working people, revolutionary outposts are the working sites where they carry out the revolutionary tasks assigned by the party. For one to reliably defend one's revolutionary outpost is synonymous with the rewarding struggle to actively contribute to the party and the revolution by outstandingly performing one's assigned revolutionary duty in one's position.

It is the lofty duty and honorable mission of our party members and the working people to reliably defend their revolutionary outposts. When all people properly carry out their assigned revolutionary duties in their revolutionary outposts they can lead a valuable life, and, furthermore, all things in the country can be done well and, consequently, the revolution and construction can be successfully carried out.

Numerous unheralded heroes and unheralded meritorious people who are devotedly working, cherishing in their hearts burning loyalty to the party and the revolution and devoting their whole life in the outposts designated by the party, are emerging in our country today. In particular, Comrade Chong Chung-sil, head of the Chonchon County commercial management station, has shown the fine example of devoting her all to the struggle for the implementation of the party's policy, with infinite loyalty to the party and the leader and with the spirit of devotedly serving the people. Her noble ideological and mental features and revolutionary work attitude are the good model that all of us should follow.

Today we are faced with the heavy but important task of regularizing production at a high level in all sectors of the national economy, following the party's intent; of further promoting the people's living; and of resolutely safeguarding, defending, and glorifying popular masses-centered socialism of our own style. To successfully carry out this task it is imperative for party members and the working people, who are working in all outposts of the revolution and construction, to perform their assigned revolutionary tasks in a responsible manner. Our party has entrusted all party members and the working people with important revolutionary outposts. This is because of its great trust in and expectation toward them.

All party members and the working people should be deeply aware of the importance of the duty that they have for the party and the revolution and, thus, should repay the party's expectation toward them with great successes in the duty. What is important above all in properly defending revolutionary outposts is for the working people, including the working class, to excellently perform their duties. When the working people, who work in the labor front directly assuming responsibility for production and construction, devotedly work at their outposts, performing great exploits, constant miracles and innovations are to be effected in socialist construction.

The working class working in plants and farmers working in socialist farm cooperatives should not forget the importance of their revolutionary outposts even for a moment and should be loyal to the party, the revolution, the fatherland, and the people through sincere and devoted labor activities. In reliably defending revolutionary outposts, it is important to enhance the sense of responsibility and the role of the working class which takes charge of the leading sectors of the national economy. The working class which is defending the leading sectors of the national economy, including coal mines and mines, should be deeply aware of its responsibility and honor, produce more coal and electricity, and send them to various sectors of the national economy. Those builders who are participating in the construction of major plants should cherish in their hearts the pride of building the great monumental edifices of the era of the Workers Party and, thus, should see to it that the hurrah of victory sounds in construction battles, including the construction of 50,000 housing units in the capital.

It is particularly important for functionaries to take the lead in reliably defending revolutionary outposts designated by the party. The success of work in all sectors and units of socialist construction depends greatly on how functionaries, who are commanding members of the revolution, defend their outposts. Only when functionaries who conduct work with people and organizational and guidance work on the economy carry out these works in a responsible manner can the revolution and construction be successfully carried out in conformity with the party's intent.

All functionaries, even though they organize and carry out a task, should deeply study it and command it in a responsible manner. Thus, they should set an example for party members and the working people in performing the revolutionary duty and, thus, should play a leading role for them. For all functionaries and the working people to reliably defend their revolutionary outposts it is imperative for them to perform the obligation as revolutionary fighters by cherishing deep in their hearts the party's trust and, thus, repaying the party's trust with success in their activity.

Our party has entrusted all functionaries and the working people with important outposts for socialist construction, firmly trusting them. Reflected in this are our party's great confidence, love, consideration, and expectation. Apart from the confidence and love of the great leader and the dear leader Comrade Kim Chong-il we cannot contemplate that all of our functionaries and the working people are leading a valuable life in the rewarding outposts of the revolution.

All functionaries and the working people should repay the party's great confidence and expectation with the firm defense of their revolutionary outposts. Party organizations of all levels should not only see to it that party members and the working people cherish deep in their hearts the party's and the leader's great, benevolent solicitude of identifying them as the pillars of the revolution and warmly looking after them, but should also lead them so that they can glorify their whole life in the revolutionary outposts. For functionaries and the working people to reliably defend their revolutionary outposts, it is imperative for them to perform their duties with the attitude of being the master and in a responsible manner.

Those fighters who are loyal to the party and the revolution always deem it an immutable rule to perform their duties with the attitude of being the master and in a responsible manner. Those who outstandingly perform all tasks assigned by the party not only with the high awareness and sense of responsibility of their outposts and duties, but also through their devoted struggle are precisely the reliable persons who firmly defend their revolutionary outposts. The task assigned to each outpost of the revolution should be performed to the end by the person who has undertaken it.

All functionaries and the working people should not have the attitude of relying on others, but should highly display the revolutionary spirit of self-reliance. Thus, they should perform their duties to the end through their own efforts, wisdom, and energy. By doing so they can have the worth and pride of work. If and when one wants others to do one's assigned task instead or fails to smoothly perform it one loses face before the party and the revolution.

To be loyal to the party and the revolution, it is important for party members and the working people not to choose work sites, but to sincerely work at their designated work sites. All outposts where our party members and the working people are defending today are important outposts which serve the party and the revolution. For revolutionaries, there cannot exist the noble and the mean in occupation. In our society where the popular masses have become genuine masters of the society all works have become rewarding and pleasant ones for the society and the people. The pride and worth of those who have embarked on the road of the revolution lie not in where they work and what work they do there, but in how devotedly they work for the party, for the revolution, for the fatherland, and for the people at their assigned outposts.

Our party treasures and puts at the forefront precisely those sincere innovators and meritorious people who work steadily and hard at their assigned outposts regardless of whether the work is arduous or not, and the people respect precisely these people.

All party members and the working people should have high honor and attachment to their revolutionary outposts and occupations and should devote their energy and wisdom to performing their revolutionary duties. At the same time, they should sincerely serve our society and groups. It is also important to see to it that the fine custom of firmly defending revolutionary outposts generation after generation is highly enhanced among our party members and the working people.

The elegant conduct of our younger generations actively contributing to socialist construction at the outposts where their parents worked is flowering in our society today. All outposts of the revolution and construction are being firmly defended generation after generation by these sincere and faithful people. Young people of the new generation who have grown up in the bosom of the party, receiving chuche education, are actively taking part in the difficult and arduous sectors of socialist construction and have thus gotten settled in various sectors of the national economy, including the coal mines, mines, and rural villages where their parents worked in the past. This is indeed an admirable and proud phenomenon.

Party organizations at all levels should conduct ideological indoctrination work among young people of the new generation in a substantial manner so that they voluntarily partake in any outpost and any task which the party and the revolution call for and which is needed for the people with a correct view of their revolutionary outposts and occupations and, thus, grow up to become reliable successors to the revolution.

For functionaries and the working people to properly work at their revolutionary outposts in conformity with the party's demands, it is imperative for them to prepare high ability along with burning loyalty. The socialist construction in our country has entered a very high stage. Therefore, without knowledge one cannot be loyal to the party and the revolution, and without cultivating one's ability one cannot defend one's outpost. For functionaries to properly carry out work with people and organizational and guidance work, for intellectuals to achieve high scientific and technological successes, and for the working people to perform labor exploits, they should firmly prepare themselves politically, ideologically, technologically, and practically. By doing so, production can be regularized at a high level, computerized and automatic facilities can be properly utilized, and, thus, the party's policy of technological revolution can be brilliantly implemented.

Books are teachers and sources of rich knowledge. Functionaries and the working people should steadily study and epochally promote their technological and practical level. Thus, they should become able men who can outstandingly carry out any difficult task. Let all of us reliably carry out our assigned revolutionary duties.

Assembly Elections Show Strength of Socialism

SK0512022091 Pyongyang Korean Central Broadcasting Network in Korean 0010 GMT 26 Nov 91

[NODONG SINMUN 26 November editorial: "Let Us Highly Display the Superiority of the Socialism of Our Own Style by Further Strengthening the People's Government"]

[Text] Amid the people's great interest and political zeal, the elections of deputies to the municipal and county People's Assemblies took place successfully.

The great leader of our party and people Comrade Kim Il-song participated in the elections of deputies to the municipal and county People's Assemblies and warmly encouraged our party members and workers who are vigorously struggling to strengthen and develop the people's government and to carry out socialist construction.

Cherishing endless faithfulness to the party and leader and confidence in the people's government, all the voters participated in the elections, and all of them voted for the candidates. This is a grand festive event that energetically demonstrates the superiority of our country's socialistic system, under which the people are masters of sovereign right, and the solidity of our revolutionary ranks, in which all the people are firmly united around the party and leader.

The news of the elections not only boundlessly pleased our party members and working people but also strongly inspired them to achieve new, great heroic feats. The elections of deputies to the municipal and county People's Assemblies have served as an important opportunity to strengthen our people's government, a strong weapon for revolution and construction, and to enhance its function and role.

The great leader Comrade Kim Il-song has taught: In step with the development of revolution and construction, the political and economic foundation of the people's government has been further strengthened, and its function and role have been greatly heightened. Today our people's government, as the most revolutionary and independent socialist government, is confidently leading our people's just cause to a road of glorious victory. Our people's government is a genuine working popular masses government established and managed by the popular masses themselves.

Our people's government is solid and mighty because it enjoys the absolute support of the broad strata of popular masses, including workers and peasants, and is deeply rooted among them.

During the elections, our people expressed absolute support and confidence to the people's government which bestows them with genuine human dignity and rights and which allows them to enjoy independent and creative lives as they please. The people who participated in the elections all share the feeling that it would be impossible for them to lead rewarding political lives or be happy without our grateful people's government. Because there are people who safeguard their government solidly with such a firm belief, our chuche-oriented revolutionary ruling political power has been incessantly strengthened and developed under all circumstances.

The deputies to the municipal and county People's Assemblies who were elected in the elections are the true representatives of the workers, peasants, and working intellectuals and are those who have devotedly worked for the fatherland and the people with high loyalty and dutifulness to the party and leader. Because these people filled the local organs of power, the political foundation of our people's government has been consolidated like a rock.

Our people's government will, as in the past, keep carrying out its function and playing its role more satisfactorily as the true defender of the independent rights of the popular masses, as well as the head of a family responsible for the people's livelihood.

Also, the results of the just-concluded elections clearly show the greatness of our society united, rock-firm, around the party and leader.

The might of socialism is at once the might of the single-minded unity. It is thanks to the tenacious cohesion and unity of our revolutionary ranks that the mass-centered socialism of our style is now displaying its superiority even higher amid the imperialists' knavish antisocialist moves.

Our society has become a great revolutionary family in which every member breathes in tune with the heartbeat of the party and thinks and acts in conformity with the party's will.

Our society has no room for any unhealthy ideological elements that go against the party's revolutionary ideology, the chuche idea, and everybody in our society devotes himself to the revolutionary cause led by the party, with healthy ideas, consciousness, and revolutionary traits.

Since the leader, party, and masses are united as one, all the people in our society are vigorously demonstrating the power of single-minded unity by participating in every election of deputies to the organs of power at all levels.

In the election our people have once again clearly shown their strong determination and will to carry out the revolution to the end, following the party and braving all kinds of hardships.

As long as we remain in the single-minded unity achieved around the party and leader with one single ideology and will, we can ably fulfill any kind of tasks arising in strengthening and developing socialist construction and the people's government.

The election has also served as an important opportunity to energetically display the superiority of socialism of our style which embodies the chuche idea and to effect a greater upsurge in socialism construction.

Each and every vote our citizens cast in the election was a priceless vote that clearly expressed absolute support for the socialism of our style.

The faith our people have in the socialism of our style, whose superiority is beyond comparison with the rotten and diseased capitalism, is so indomitable that no force on earth can break it up.

The outcome of the recent election has demonstrated to the world the depth of our people's pride and revolutionary spirit as the people who defend the socialist revolutionary banner.

The imperialists, while ranting about the crisis facing socialism, are now viciously scheming to undermine the revolutionary countries adhering to the socialist principle from within.

As in the past, our people will vigorously march forward with a firm conviction in the victory of the socialist cause of chuche and will effect a new revolutionary upswing in the struggle for the great socialist construction to which the party calls them.

Today, ahead of us lies a heavy task to consolidate as firm as rock the revolutionary government of workers and peasants even further and to stanchly develop the socialist cause of chuche. What is most important in strengthening our people's government in step with the requirements of reality is for all the functionaries at the organs of power to uphold the party's leadership even higher.

Our party is a guide of the people's government.

How the people's government fulfills its mission and duty as a powerful weapon for the revolution and for construction depends on how brightly the party's leadership over the people's government work is embodied.

The dear leader Comrade Kim Chong-il has defended all the accomplishments attained by the great leader in the area of building the people's government and is now developing and enriching them, while sagaciously guiding the organs of the people's government so that they can wonderfully fulfill their mission and duty as intended by the leader.

Keeping deep in mind that apart from the party's leadership our people's government cannot firmly adhere to its working class and people-oriented character, nor can it perform its role as the economic organizer and cultural indoctrinator, functionaries of all the people's government organs should be infinitely loyal to the party's leadership wherever and whenever. We should more firmly establish the revolutionary ethos of unconditionally and thoroughly implementing the party's decisions and instructions and of developing all works according to the party's intent among all organs of power.

Faithfully serving the masses of working people is a glorious mission of the people's government. For functionaries of the people's government who take it as a basic mission to defend and protect the interest of the popular masses, there is nothing more important than to become the people's servants.

Holding higher the party's slogan: We serve the people, functionaries of all the people's government organs should firmly establish the ethos of devotedly working for the interests of the people. In particular, they should deeply realize the sense of mission of being the head of a family responsible for the nation's economy and people's livelihood and, thus, should concentrate great efforts on the work of smoothly meeting the material and cultural demands in conformity with the demands of the developing reality.

The role which the local government organs play in promoting the people's welfare is very great. Functionaries of local government organs, including city and county government organs, should display the spirit of self-reliance and fortitude and mobilize local reserves and potential to the maximum. Thus, they should vigorously accelerate economic and cultural construction in the local area and provide the working people there with a more affluent and civilized life. For functionaries of the people's government organs to truly serve the popular masses it is imperative that they thoroughly establish the revolutionary work method and the people-oriented work style.

Functionaries of the people's government organs should deeply mingle with the popular masses at any time and any place according to the demands of the Chongsan-ri spirit and Chongsan-ri method, should heed to the people's demands and will, and should work, study, and live together with them.

When functionaries of the people's government organs are united with the masses, and live and work together with them as one mind and one body they can not only outstandingly embody our party's people-oriented policies, but also more faithfully serve the people. Effecting a new upsurge in socialist economic construction is one of the most important duties assigned to the people's government organs today.

By thoroughly embodying the Taean work system, the people's government organs should make the broad circles of people actively participate in economic management work and, thus, should carry out economic work in a scientific and reasonable manner. Presently, while inspiring the working people's chuche-oriented wisdom and creative zeal in the struggle to accomplish this year's plan, the people's government organs should also plan and coordinate economic organization work in a thorough and detailed manner in conformity with the party's intent and the working people's high zeal for production.

All party members and the working people should brilliantly realize the party's plan to maintain the highlitical zeal displayed in the recent election as it is and to bring about a great upsurge in socialist construction and should unanimously launch the struggle to accomplish this year's economic plan.

It is very important for all the people's government organs to further strengthen the socialist law-abiding life in all sectors and units. In the socialist society, law is a norm of conduct which all the people must voluntarily observe and it is a basic means by which the people's government realizes its politics.

By strengthening the socialist law-abiding life, the people's government organs should thoroughly establish the revolutionary spirit of abiding by laws in the whole society and should see to it that all the working people observe the norm of law and regulations voluntarily and sincerely. In particular, functionaries of state and economic organs should set an example in carrying out all work in accordance with the demands of law and regulations and in observing the state's law and order and the norm of socialist life.

The party's confidence in deputies to the city and county people's assemblies who were elected in the recent election and the popular masses' expectation toward them are very great. Deputies to the organs of local sovereignty should not forget the party's and the people's confidence and expectation at any time and any place and should perform their assigned duties in a responsible manner. Thus they should perform to the end the honorable mission as the faithful servants of the people.

All party members and the working people should more staunchly fight to strengthen and develop the people's government organs and for the victory of the chuche socialist cause.

Improved Local Industry, Consumer Goods Discussed

SK0512050291 Pyongyang KULLOJA in Korean
No. 10 Oct 91 pp 70-74

[Article by An Pyong-hui: "Modernization of Local Industry Is Important Demand of Our Country's Socialist Economy Which Has Reached New Phase of Development"]

[Excerpts] Placing emphasis on making the people's economy chuche-oriented and vigorously struggling for modernization and scientization are important to further strengthen the country's economic foundation through the acceleration of socialist economic construction and to successfully accomplish given economic construction tasks.

Today, science and technology develop ceaselessly. Under these circumstances, only by actively accelerating the modernization of the people's economy can the overall mechanization and automation of production be achieved and socialist economic construction be vigorously stepped up. [passage omitted]

One important task with which we should grapple for the modernization of the people's economy is to actively accelerate the modernization of local industry.

Modernization of local industry means upgrading local industry's level of technology and equipment by introducing advanced technology in place of backward technology. In other words, it means active overall mechanization and automation of the production process through refurbishment and improvement of the machinery and facilities of the existing local industrial plants and through the introduction of new machinery and facilities.

Modernization of local industry is essential for socialist economic construction. Only when modernization of local industry is accelerated in parallel with progress in socialist economic construction can the working people of the sector be freed from the hardships of labor, product quality be improved, and greater economic achievements be won with a smaller amount of social labor. [passage omitted]

Local industrial plants must be modernized in every area, while still giving priority to the modernization of large-size central light industry. Only then can the working people's demands be met even more satisfactorily by qualitatively and quantitatively guaranteeing the production of consumer goods. Local industry produces more than half the consumer goods. Therefore, modernization of light industry is unthinkable and even development of the central light industry and local industry cannot be expected without the modernization of the local industry. It is impossible to improve the quality of consumer goods and to increase production without the modernization of local industry.

If local industry is not modernized, the central industry will have to meet most of the working people's demand for consumer goods. This then would burden the central light industry and make it impossible to properly meet the working people's demands. This also would impede development of the central light industry. [passage omitted]

Only through the modernization of local industry can sources of material and resource supply be expanded, rate of material consumption be drastically reduced, and the production of consumer goods be increased with available economic resources.

Moreover, most of our country's local industrial plants were built a long time ago with locally available materials and facilities. As a result, today, the modernization level is not high at some local industrial plants. Under these circumstances, only by modernizing the local industrial plants through the introduction of new science and technology can various local resources be effectively utilized, per-unit consumption rate of production be reduced, and product quality be further improved. Only then, can working conditions for the working people of local industry be further improved and they be freed from the hardships of labor. [passage omitted]

KCNA Reviews 5 Dec Pyongyang Press

SK0512054091 Pyongyang KCNA in English 0433 GMT 5 Dec 91

[Press review]

[Text] Pyongyang December 5 (KCNA)—Papers here today carry a message of greetings President Kim Il-song of the Democratic People's Republic of Korea sent to King of Thailand Phumiphon Adunyadet on the occasion of his birthday.

MINJU CHOSON rounds up world public voices under the title "President Kim Il-song Is a Great Leader Revered and Followed by Mankind."

Works of the dear leader Comrade Kim Chong-il were studied and disseminated abroad, says the press.

NODONG SINMUN carries an article about the wise leadership of the great leader President Kim Il-song and the dear leader Comrade Kim Chong-il to strengthen the people's government, develop in depth the three revolutions, ideological, technical and cultural, and bring the vitality of the socialist economic management system into full play.

Printed in the paper is a message of greetings sent by the Central Committee of the Workers' Party of Korea to the 8th congress of the South African Communist Party.

It editorially calls for carrying forward and developing the glorious revolutionary traditions of the party and boundlessly adding shine to them.

Economic news of papers includes reports about innovations being effected in the production of chemical fertilizers and about vigorous projects for irrigation of dry fields.

Given in papers is an account of a meeting held to mark the 45th anniversary of the founding of the Korean Central News Agency.

NODONG SINMUN gives an account of a meeting of commercial workers in Pyongyang held to vigorously conduct the Chong Chun-sil movement and carries column debates related to this movement.

Moon Sun-myung, president of the World Peace Federation, staying in the homeland, went sightseeing of Mt. Kumgang and the chairman of the United Left of Peru met the Korean ambassador, says the paper.

It runs a commentator's article titled "Why Do They Intend to Make Korean Peninsula Hot Spot."

In commentaries papers denounce the bellicose announcement of the U.S. imperialists and the South Korean puppets that they would intensify the "Team Spirit" joint military exercises against the North as a criminal act going against dialogue and reunification, as an adventurous war line.

According to NODONG SINMUN, the U.S. imperialists and the South Korean puppets staged war exercises against the North and committed a gunfiring in the area near the Demilitarized Zone of the Military Demarcation Line.

An article of the daily exposes the U.S. arms buildup in South Korea.

Edited in the daily are articles and statements of foreign publications and public figures stressing that the withdrawal of the nuclear weapons from South Korea is a prerequisite to the signing of the nuclear safeguards accord.

The daily introduces a commentary of the Cuban paper GRANMA under the title "What Is the Real Purpose of Rackets Against the DPRK?"

The press observes the national day of Thailand.

It is reported in the press that Hafiz al-Asad was reelected Syrian president and Soviet-Chinese talks on arms reduction in the border areas were held.

NODONG SINMUN reports that the Nigerian president spoke about the development of African countries, the chairman of the executive committee of the Palestine Liberation Organisation called for a fair solution of the Mid-East issue, and carries a report about the situation in the Soviet Union.

South Korea

Citizen Groups Plead Against Rice Market Opening

SK0512030391 Seoul YONHAP in English 0216 GMT 5 Dec 91

[Text] Seoul, Dec. 5 (YONHAP)—The Citizens Coalition for Economic Justice, a reform-minded civic body, and a group of professors Thursday pleaded with the government to oppose opening of the rice market and to do something to revive farming.

The government should ask the United States to open its labor and construction markets completely before pressing Korea to import rice, they said in a joint statement.

Rice market opening would endanger the survival of Korea's farmers and of the whole nation, so the government should never give in, they said.

The activists suggested that export subsidies, given to farmers either directly or indirectly in the European Community and the United States, be streamlined in the Uruguay Round global trade talks because they distort trade of agricultural products on the international market.

They lashed out at the theory that Korea should give up rice farming and open its market as local rice costs almost four times the international price.

They said they will hold a street campaign for anti-rice market opening in front of the U.S. Embassy at noon Thursday.

Itinerary for Dec S-N Talks Finalized

SK0512095291 Seoul KBS-1 Radio Network in Korean 0900 GMT 5 Dec 91

[Text] The two sides of the North and the South held a contact of the responsible liaison officials at the House of Peace in our side's area of Panmunjom this afternoon. They decided on the itinerary of the fifth round of North-South high-level talks, which are to be held in Seoul on 10 December, and exchanged the namelist of the North Korean delegation and a memorandum from our side guaranteeing its personal security.

According to the itinerary finalized at today's contact of responsible liaison officials, the North Korean delegation will enter Seoul through Panmunjom on the morning of 10 December and will hold two rounds of talks, one open and one closed, on 11 and 12 December.

The North Korean delegation will attend the dinner parties hosted by Prime Minister Chong Won-sik on the evening of 10 December and hosted by National Assembly Speaker Pak Chun-kyu on 12 December.

The two sides decided on the Sheraton Walker Hill Hotel as a place for the North Korean delegation's lodging and as venue for talks during the fifth high-level talks.

The two sides decided that while the second day's meeting is being held as a closed session on 12 December, the North Korean reporters will tour Seoul subways and Namsan Tower.

*North Korean Career Diplomat Defects to South

*Holds Press Conference

922C0012A Seoul TONG-A ILBO in Korean 14 Sep 91 p 2

[Article by reporter Pak Che-kyun: "Kim Il-song Ordered Support for Soviet Coup"]

[Text] Questions and answers at the defector press conference held by Mr. Ko Yong-hwan were as follows:

[Pak Che-kyun] What were the reasons and circumstances of your defection?

[Ko Yong-hwan] "I was the first secretary at the [North Korean] embassy in Zaire since November 1988, and I got a severe shock when I saw the collapse of East

European socialism last year. Beginning in July of last year, Han Song-nyong, who was sent out to the embassy by the State Security Ministry, was going around conducting surveillance. While watching the Albanian situation on television I unconsciously happened to remark, "Maybe there is something wrong with socialism." Subsequently, I suffered with the terror that I would be recalled home. In early March of this year I received the recall order and thought it would be better to escape rather than live in a "controlled area" [camp for political offenders], so I took refuge in a neighboring country. (He refused to disclose specifically which country.) Then I came to Seoul in early May."

[Pak] What is North Korea's position concerning nuclear inspections and what is the actual situation regarding nuclear facilities?

[Ko] "At first, they made the announcement that they would accept nuclear inspections because they were conscious of their relationship with the United States and Japan and other Western states. Their announcement on the 12th of their intention to refuse to sign is viewed as a ploy to play for time, however. At present, among high-ranking North Korean officials the word is circulating that they can make a nuclear bomb within one to three years. I also heard that, in addition to the Yongbyon nuclear facilities and the Pyongsan uranium plant, there is a separate 'underground factory' at Pakchon, North Pyongan Province."

[Pak] What are the prospects for North Korea's relations with the Soviet Union since the Soviet coup?

[Ko] "Late last year a secret Kim Chong-il instructions arrived at the North Korean embassy in Moscow. The contents of the instructions were: establish warm friendships with hardliners within the Soviet military; watch out for the possibility of a coup d'etat; if there is a possibility of a coup, support them from the sidelines. North Korea already had given up hope on the Soviet Union. However, North Korea was too dependent on the Soviet Union to abandon it completely."

[Pak] What about North Korean relations with China and Japan?

[Ko] "I know that Kim Il-song secretly visited Beijing in October last year and received a secret commitment from China that China would not establish diplomatic relations with the South before North Korea established diplomatic relations with the United States. North Korea judges that South Korea and China would establish diplomatic relations by the middle of next year at the latest and is striving to conclude diplomatic relations with Japan before that time."

[Pak] What do you think about the possibility of North Korea opening up?

[Ko] "I believe that in all probability North Korea will not be able to last more than five years. When the president of Burkina Faso visited North Korea in November 1988, I handled the interpreting. I felt proud when I saw the Taean Heavy Machinery Factory operating vigorously, but I learned that because of energy and material shortages it was operating only when there were visitors. Because of the worsened economic difficulties, dissatisfaction is on the rise among the populace, who have been patiently tolerating it. Even if North Korea wanted to follow a Chinese-style economic opening policy, it cannot do anything because of the fear that this might lead to political reforms."

[Pak] Do you know anything about the bombing of the KAL airliner?

[Ko] "Just after the KAL airliner bombing incident, Foreign Minister Kim Yong-nam sent a secret cable to Pak Ki-chol, the North Korean ambassador in Angola instructing him to urgently send home Kim Won-chol, a division-chief level official. This Kim Won-chol was the father of Kim Hyon-hui, the principal offender in the KAL airliner bombing incident. At that time, through the Foreign Ministry the instruction was handed down to 'deny KAL incident charges, but do not meddle too deeply'. Judging from this, we could imagine North Korea's connection."

[Pak] What about Kim Il-song's character from up close?

[Ko] "In a word, he is an infinitely changeable man. At the time of the 9 September (the founding day of the regime) events in 1988, people said the usual 'Long life and good health' to the two Kims. Kim Il-song answered, 'Let us be healthy together,' but Kim Chong-il did not even give a return greeting. Also, Kim Chong-il is so very concerned about the Foreign Ministry that he usually calls it 'my Foreign Ministry.' Many times he will not give any instructions to the Foreign Ministry during the daytime, then around 0100 or 0200 he will send down instructions. So, quite frequently the working level people at the Foreign Ministry cannot go home. Last year there was something called the 'China telephone incident.' At that time, a counselor at the embassy in China answered the phone insolently, not knowing it was Kim Chong-il on the line, and the counselor was sent back home and given 'revolution training' (purification training) at a 'controlled area.'"

*Attests To Economic Hardship

922C00012B Seoul HANGUK KYONGJE SINMUN in Korean 15 Sep 91 p 3

[Editorial: "Diplomat Defector Attests to North Korean Economy"]

[Text] Mr. Ko Yong-hwan, first secretary at the North Korean Embassy in North Korea's African stronghold, the Congo, defected last May and held a press conference on the 13th, and the information he disclosed is expected to provide us with very important data for carrying out North-South relations in the future. This is particularly the case in view of the fact that Mr. Ko served as the interpreter for Kim Il-song and his son and Foreign

Minister Kim Yong-nam, key figures in the leadership who are the ultimate makers of North Korea's foreign policy.

What attracts our attention in Mr. Ko's statements is the passage where concerning North Korea's prospects for opening up he says "above all, because of economic difficulties it cannot hold out more than five years."

As an actual example, he cited the case of the "Taean Heavy Machinery Complex," North Korean industry's showplace factory which produces motor vehicles, generators, and machine tools. In preparation for the visit of the president of a certain foreign country, they gathered raw materials together 10 days in advance and began operating the plant five minutes before his arrival, and when he left, the machinery was turned off. Mr. Ko said the factory manager confessed that the factory's operating ratio was 30 percent.

When Kim Il-song inspected the Taean enterprise in December 1961 he stressed the guiding role of the party in the industrial sector and instructed that production would expand only by giving priority to political and moral ideological armament rather than material incentives. On the other hand, through planned management the enterprises had to institute an independent economic accounting system and rationalize factory management. Subsequently, in North Korea this was given the name of the "Taean industrial management system" and was put into operation in all enterprise factories according to this "teaching."

According to Mr. Ko's statement, the fact that today—nearly 30 years later—"Taean" can operate at 30 percent capacity realistically illustrates how severe the imbalance is among North Korea's industrial sectors. In September 1984 North Korea also promulgated a "Joint Venture Law" and attempted to induce Western capital and to actively establish economic intercourse with the West.

Today—seven years later—the Western capital that has been invested in North Korea consists of only a few instances of investment by Chosen Soren [General Association of Korean Residents in Japan], however.

From this angle, Mr. Ko's statement that North Korea "can not last more than five years" is a diplomat's understanding of business conditions that focuses on a sea of changes in the socialist world. How North Korea can harmonize ideological and material incentives under the Kim Il-song unitary system will be the decisive factor in the opening up of North Korea.

*Reflects on North's Policy

922C0012C Seoul HANGUK ILBO in Korean 15 Sep 91 p 2

[Editorial: "Reflections on Unification Strategy"]

[Text] Mr. Ko Yong-hwan, the North Korean diplomat who escaped and sought asylum last May, has provided us with some very specific and professional insights concerning the actual situation in North Korea worthy of a career diplomat. So far, not many persons have escaped from the North and sought asylum. So from that point of view there are many important aspects of his statements that help our understanding of North Korea.

Particularly in light of his profession as a diplomat, Mr. Ko Yong-hwan's press conference is insightful with respect to today's North Korea, which is facing a crisis as a result of the revolution in Eastern Europe. It is interesting that, in general, his statements were pretty much in line with our understanding of the North Korean situation.

He believes that due to severe economic difficulties it will be hard for North Korea to hold out more than five years and that there is a good chance it might follow a "Chinese-style opening up." His explanation of North Korea's economic difficulties is particularly impressive. Also his prediction that North Korea will follow a Chinese-style opening up is at one with the trends that are already visible. We are referring to North Korea's plan to make a special economic zone in the Tumen River Basin.

He judges that North Korea's strategy towards the South is still focused on a "united front strategy" and that direct trade between North and South would not bring changes to the closed system of the North. This point is also similar to the conservative view of North Korea.

As evidence for this kind of judgment he gives the example of the direct trade of the "Rice of Love." Even if Mr. Ko Yong-hwan had not given an example, it is certain that North Korea's economic exchanges will allow economic exchanges only to the extent that they do not have an impact on the maintenance of their system. In other words, we already figured that North Korea would be careful about trade involving industrial products, consumer goods, and rice, which could have an impact on their people's evaluation of their system.

His warning that North Korea will succeed in developing a nuclear weapon in the next three years and that negotiations for nuclear safeguards are only a delaying tactic has a direct impact upon the doubt that has been brought up persistently by some in the Western camp.

From Mr. Ko Yong-hwan's escape and asylum above all we get the feeling that the possibility of negative criticism and unrest is beginning within North Korea's professional bureaucracy. We think his escape and asylum will send shockwaves to levels of North Korea's professional bureaucratic organizations far above the rank he held.

In order to break through the adversities that are buffeting it at home and abroad, North Korea has no other options than to further strengthen controls internally while attempting a "controlled economic opening" externally. We must formulate our policy toward the north and our reunification strategy on the basis of an accurate understanding of this situation.

In its overall general outlines, the press conference of the career official Ko Yong-hwan is totally in accord with such an understanding. The government's "single-minded approach" and the ambivalent reunification fervor of one segment of the populace are both in need of rethinking.

*North Korea Active in UN Diplomacy

922C0021A Seoul CHUNGANG ILBO in Korean 24 Sep 91 p 5

[Article by Pak Chung-hyong: "North Korea Busy 'Improving Relations With the United States'"]

[Text] With the entry of North and South Korea into the United Nations, political circles—including President No Tae-u, DLP (Democratic Liberal Party) Chairman Kim Yong-sam, and DP (Democratic Party) Chairman Kim Tae-chung—have moved en masse to New York, and are jointly or individually conducting diplomatic activities, but North Korea is also vigorously launching its own pragmatic diplomacy.

North Korea's delegation of six included Vice Foreign Minister Kang Sok-chu who arrived in New York on 11 September—one week before the General Assembly opened. He began with a speech accepting North Korea's United Nations admission, concluded an active round of contacts with U.S. Government, financial, press figures, and ROK representatives, and returned home on 22 September.

On 27 September another North Korean delegation of 17 will return to New York and remain there until 6 October, where the delegation expects to engage in diplomacy with the United Nations and the United States. Premier Yon Hyong-muk, who is to be among the delegation, will deliver his keynote speech to the General Assembly.

The schedule for the Vice Minister Kang Sok-chu party's 10-day visit reflects North Korea's concerns.

It was announced that the North Korean mission met on the afternoon of 18 September with Senator Robert Smith (Democrat, New Hampshire). They discussed the improvement of North Korean-U.S. relations, the return of the remains of U.S. servicemen killed during the Korean war, and other humanitarian questions.

The North Korean mission announced that Vice Minister Kang also held a dinner on 20 September for some 20 U.S. businessmen and discussed issues involving North Korean-U.S. economic cooperation.

Figures from major U.S. firms, such as the stock company Merrill Lynch, and persons affiliated with Citibank attended this dinner.

In connection with this gathering, Ho Chong, deputy ambassador at the North Korean mission at the United Nations, said that Vice Minister Kang had exchanged views with U.S. financial figures concerning joint ventures and other economic cooperation and assessed the results as "positive."

Vice Minister Kang's party also carried out vigorous contacts with the press, holding a press conference on 18 September with the UPI, REUTER, and other major U.S. and British press services, followed by a visit to the economic weekly BUSINESS WEEK and an informal chat with its managerial staff.

On 13 September, two days after arriving in New York, Vice Minister Kang also attended a seminar hosted by the Korean students' association of Columbia University where he addressed the broad outlines of North Korean policy and internal changes under the topic, "The Present International Situation and the Korean Problem," and took part in a discussion.

In addition, the North Koreans are known to have had comparatively active contacts with ethnic Koreans living in the New York area, including a reception for Korean residents.

Analyzing the non-United Nations activities of the North Korean delegation members, it can be seen that North Korea is cautiously probing ways to apprise people of North Korea's stand in the wake of changes in the international situation resulting from changes in the Soviet Union and from the United Nations entry of North and South Korea, to promote cooperation with ROK-affiliated businessmen in the United States in order to improve the North Korean economy, to improve relations with Korean residents in the Americas; and ways to improve relations with the United States.

The quest for North Korean-U.S. economic cooperation is particularly noteworthy in that it suggests that North Korea is assuming there will be an improvement of relations with the United States or that there already has been considerable progress toward improved relations.

North Korea's lobbying activities are expected to be even more active during the 10 days Premier Yon Hyong-muk's 17-member North Korean delegation will be visiting the United States.

After his party arrives in New York on the 27th, Premier Yon will give his keynote speech to the United Nations on 2 October, and Foreign Minister Kim Yong-nam, who accompanied Premier Yon, is scheduled to give a speech on 3 October to the United Nations public relations committee and on the evening of the same day is scheduled to hold a reception for various diplomats to the United States.

Premier Yon is preparing a nine-day private schedule, from 27 September to 1 October and from 3 to 6 October.

*Japan's Decision To Recognize DPRK Scored

*'Calculated Step'

922C0011A Seoul HANGUK ILBO in Korean 13 Sep 91 p 3

[Article by reporter Han Ki-pong: "'Calculated Step' Aimed at Hegemony Over Northeast Asia—Background and Problems Related to Japan's Decision To Recognize North Korea As a State"]

[Text] Currently, diplomatic friction is developing between South Korea and Japan over Japan's decision to recognize North Korea as a state.

It has long been anticipated that Japan would eventually recognize North Korea as a state. But, our government is expressing apprehension because the timing for the Japanese decision is very inappropriate.

A ROK Foreign Ministry official said that in a nutshell, "Japan has a hidden political motive." In his view, to North Korea, Japan's decision to recognize it as a state is "a political consideration," but, to South Korea, it is a "political lever."

This is because recognizing another country as a state is considered a matter of formality which will have no substantive effect on the relationship between the two countries involved. Recognizing a country is simply a formality which, unlike the establishment of diplomatic relations, neither carries political weight nor requires a particular declaration.

There is no set practice as to whether admission of a country into the United Nations signifies the recognition of that particular country. Different countries have different views in this regard, and there is no clear-cut principle in international law. Traditionally, the United Kingdom has regarded the admission of a country to the United Nations as signifying its recognition, whereas the United States has viewed UN admission and recognition as two separate things. Generally speaking, Japan has regarded UN admission as signifying recognition, although the timing for recognition might not necessarily coincide with the time of admission.

The Foreign Ministry official explained how different countries have different views with regard to the relationship between UN admission and recognition, saying that "there is no established view that UN admission automatically signifies recognition." Japan, for instance, failed to recognize Libya until two years after the latter joined the United Nations.

Given this, the ministry official reasoned that, in citing international law as its rationale, Japan most probably has some ulterior diplomatic motive in announcing its intention to recognize North Korea as a state as soon as the latter is admitted to the United Nations.

Our government officials concerned are of the opinion that Japan has an ulterior motive for engaging in normalization talks with North Korea, which have yet to make any meaningful progress.

Japan regards normalization talks as an opportunity to test its diplomatic ability.

Japan's decision to recognize North Korea may be based on hopes to secure the diplomatic initiative in the Northeast Asia, where Japan enjoys relatively limited diplomatic leadership compared with its vast economic power. At the same time, establishing relations may be intended as an effective "card" for holding South Korea in check.

Japan is unhappy about the five-point condition proposed by South Korea with respect to Japan's establishment of diplomatic relations with North Korea. The five-point condition includes meaningful progress in North-South dialogues, acceptance by North Korea of inspection of its nuclear facilities, and prior consultation with the South Korean Government on the pace of normalization between Japan and North Korea.

Desirous of a speedy settlement of post-war arrangements, Japan does not want to see its politico-diplomatic position in Northeast Asia weakened by following the initiative of the United States, which holds a similar position to that of South Korea.

Japan claims that it intends to recognize North Korea as a state because it wants to induce North Korea to openness and reform. But there is a consensus of opinion among the world's diplomatic circles that the attitude of North Korea leaves much to be improved as a member of the community of nations.

The same ROK Foreign Ministry official said that "Japan is trying to leave the rest far behind." He grumbled: "Despite the fact that normalization talks alone presuppose recognition, Japan has gone out of its way to express its readiness to recognize North Korea as a state. In my opinion, this provocative act is quite arbitrary, given past diplomatic relations between Japan and South Korea." Some people even say that "it stems from the way of thinking truly characteristic of Japanese diplomacy."

As a matter of principle the ROK Government's basic position is not opposed to Japan's move toward establishing diplomatic relations with North Korea; accordingly, it is coping with this move by urging Japan to be prudent in its approach by taking the overall situation on the Korean peninsula into consideration.

Viewing recognition of a country as a state as an exercise of sovereignty, it seems that our government is not contemplating a strong protest for now.

The Foreign Ministry official noted that when our ambassador to Japan, O Chae-hui, conveyed our governmment's position, the Japanese Government replied that it "will keep the ROK position in mind." The ministry official added that this reply "is interpreted as nothing but a pro forma response," however.

Some claim that a blind spot in our diplomacy toward Japan was exposed once again during Shin Kanemaru's sudden visit to North Korea last September.

Others are of the opinion that our government's position vis-a-vis Japan's decision to recognize North Korea is rather "emotional." According to this viewpoint, it could be harmful to be oversensitive to this decision despite the fact that recognition is nothing but a formal procedure. They point out that the possibility that Japan's recognition of North Korea as a state might have a positive effect on ROK-PRC normalization should not be ruled out.

With an increasing number of countries expected to extend recognition to or establish diplomatic relations with North Korea in the wake of the simultaneous seating of North and South Korea in the United Nations and in the wake of Japan's abrupt announcement of its decision to recognize North Korea as a state, our government will find it necessary to formulate a sound position and principle to be presented to our allies in this connection.

On the other hand, attention should be paid to the strident voice demanding that this occasion warrants a shift in our government's past diplomatic practices toward Japan. Following Kanemaru's sudden visit to North Korea last September, this latter move by Japan, our key ally along with the United States, is considered another "surprise diplomatic assault" on our government. Having failed to anticipate this move, however, our government has not yet expressed in a dignified manner its regret over this latest provocation. Rather, the United States is manifesting its displeasure with Japan for its about-face, and reportedly plans to cite as inappropriate Japan's timing for recognizing North Korea. A chorus of voices is demanding that the questionable response of our government officials concerned who are inclined to understand Japan be rectified "unconditionally."

*Two-Koreas Ploy

922C0011B Seoul HANGYORE SINMUN in Korean 14 Sep 91 p 2

[Editorial: "Japan Should Not Take Advantage of a Divided Nation"]

[Text] Tension is rising between the ROK and Japan over Japan's decision to recognize North Korea as a state prior to establishing diplomatic relations with it. In light of the strong ROK protest, the Japanese Foreign Ministry is reportedly studying the formula of extending "implicit recognition" rather than "explicit recognition" to North Korea. There are conflicting reports concerning the timing of recognition. One school of thought holds that recognition may be extended immediately after North Korea is admitted into the United Nations on 17 September at the earliest, whereas another school speculates that recognition may be delayed because of North Korea's hardened position against inspection of its nuclear facilities.

For Japan, which so far has had four rounds of talks with North Korea on the question of establishing diplomatic relations between the two countries, could use the seating of North Korea in the United Nations as momentum for extending recognition to North Korea because establishment of diplomatic relations presupposes recognition. During his visit to Japan last year, however, President No Tae-u's presented a five-point principle relating to the question of the establishment of diplomatic relations between Japan and North Korea. The principle includes "meaningful progress in North-South dialogues," "inspection of nuclear facilities," and "prior consultation with the ROK." What matters now is the fact that, at that time, Japan promised to respect this principle. Recently, by way of consultation, Japan has reportedly sounded out the ROK Government's view on Japan's plan to recognize North Korea. Judging from the attendant circumstances, however, the contact was not a "consultation," but something akin to a "notification." We see Japan's attempt to justify its move by coming up with the idea of "implicit recognition" in place of "explicit recognition" as a diplomatic "ploy." In addition, this confirms the true nature of Japanese diplomacy on the Korean peninsula with "divide and rule" as a basis.

Currently, with the rapid decline of Soviet influence in northeastern Asia, momentum is building for settling the northern territorial dispute between Japan and the Soviet Union. In our view, by using the North Korea card, Japan is seeking hegemony as a political superpower in this part of the world, and we feel compelled to serve a stern warning on Japan not to use the division of Korea to its advantage.

On the other hand, we also have something to say about our government, which is watching other countries' moves to extend recognition to North Korea. With North and South Korea now scheduled to be seated simultaneously in the United Nations, the present situation is different from the 1970's when two Koreas were engaged in a "cutthroat competition" against each other in the United Nations. In addition, through the 7 July 1988 proclamation, our Government did acknowledge North Korea as part of the community of the Korean nation and made it clear that it would not oppose any move on the part of any of our allies to establish diplomatic relations with North Korea. In addition, under the policy of inducing North Korea to become a responsible member of the community of nations and thus leading it to openness and reform, our government has simultaneously pushed for the admission of North and South Korea into the United Nations. For this reason, we should not be concerned about how many more countries will recognize North Korea, but approach the issue from the viewpoint of "unification," namely, from the standpoint of how to ease tension and build confidence between North and South by expediting substantive dialogues with North Korea.

*Reneging on Promise

911C0011C Seoul CHUNGANG ILBO in Korea 11 Sep 91 p 3

[Unattributed article: "Matters That Japan Should Consider Before Extending Recognition to North Korea"]

[Text] Looming on the horizon is a new, important external condition which is likely to impact on relations between North and South Korea.

With Japan reportedly ready to recognize North Korea as a state, an international trend toward recognizing the realities on the Korean peninsula is expected to take more concrete shape.

Inasmuch as our long-standing vision of consolidating the foundation of national reunification through the process of "one nation, two states" assumes a cross-recognition of North and South Korea as its first stage, it is imperative for Japan eventually to recognize North Korea.

From a standpoint of logic, it seems one cannot find fault with Japan's decision to recognize North Korea because the simultaneous seating of North and South Korea in the United Nations and the North Korea-Japan normalization talks are both based on the assumption that the entity of North Korea is recognized as a state. From a long-range point of view, recognition is an inevitable process.

In addition, the current international tide is such that Japan, the United States, and other Western nations will come to recognize North Korea as a natural trend.

Nevertheless, it is our position that promoting and securing dialogue between the North and South should be the precondition for any recognition of North Korea.

We are aware that Japan's impending recognition of North Korea is legitimate in many respects as we have noted above. Yet we cannot but be concerned about the ramifications of this recognition in view of the peculiarities of relations between North and South Korea.

With regard to the issue of improving relations with North Korea by Japan and other Western countries, we have thus far hoped that this question would be linked to progress in the dialogue between North and South Korea and to North Korea's acceptance of inspections of its nuclear facilities, which has become an international issue. Japan has promised our government that in conducting normalization talks with North Korea, the Japanese Government will take all these things into full consideration.

Japan may submit that inasmuch as recognition is one thing and establishing diplomatic relations is another, Japan's decision to recognize North Korea does not conflict with this promise. We do admit that Japan's argument is reasonable, both legally and logically.

Nevertheless, because Japan's recognition of North Korea will have an immediate impact on the dialogue between North and South Korea, we feel that it would be better if Japan would take a more prudent approach from a long-range point of view.

We do not deny that there is an emotional side to this feeling—the sentiment we have traditionally harbored toward Japan. It is because of this emotional side that we fear that Japan may have a political motive behind its decision to recognize North Korea which is to exercise influence over relations between North and South Korea by giving priority to logic.

Recognition of North Korea is an inevitable international trend, and approving international recognition of North Korea is also our government's basic position. Japan's recognition of North Korea could eventually add momentum to promoting our goal of establishing diplomatic relations with China. In addition, it could be of great help in freeing North Korea from its introverted isolation and making it more adaptive to the community of nations. That is precisely our basic strategy for national reunification.

From this point of view, Japan's recognition of North Korea could be a turning point as well as a starting point in perpetuating peace on the Korean peninsula.

Nevertheless, Japan should make its decision in full consultation with our government with regard to the timing for such a turning point.

Seoul-Beijing Talks on Direct Air Link Collapse

SK0512031091 Seoul YONHAP in English 0159 GMT 5 Dec 91

[Text] Seoul, Dec. 5 (OANA-YONHAP)—Talks between South Korea and China on opening a direct air route collapsed Wednesday over differences on setting the control transfer point and allowing a multiple airliner service, the Foreign Ministry said Thursday.

The two sides agreed to resume their talks at an unspecified date, Ministry officials said.

Kim Sok-u, director-general of the Ministry's Asian Affairs Bureau, represented Korea in talks with Chinese officials Dec. 2-4 in Beijing on opening direct air services from Seoul to Tianjin and Shanghai.

Heading the Chinese officials was Lu Ruiling, director of international affairs at the Civil Aviation Administration of China.

China demanded that the control transfer point be set at 125 degrees east longitude, inside Korea's flight information range, according to the officials. Korea could not accept the demand as it would be an "infringement" on Korean authority, they said.

Korea wants the transfer point set at 124 degrees, the point used during the Asian Games and 1988 Summer Olympics when special charter planes flew between the two countries.

The 124 degree line was determined by the International Civil Aviation Organization and China should respect this transfer point, the officials said.

China also demanded that one plane each be designated for the Tianjin and Shanghai service, but Korea insisted that the route be open to "multiple" airliners without designation.

China has one national airline and Korea has two.

Korea and China lack diplomatic ties, but the two countries have been warming up with growing indications that diplomatic normalization is likely in the near future.

China has been brushing aside Korean demands for a direct route between Seoul and Beijing.

Fishing Boats Begin Operation in Soviet Waters

SK0312114091 Seoul YONHAP in English 1114 GMT 3 Dec 91

[Text] Seoul, Dec. 3 (YONHAP)—South Korean fishing boats began operation in the Soviet economic zone Monday, 15 years after the Soviet Union declared the 200-mile economic zone, deepsea fishing industry sources said Tuesday.

Four ships, belonging to Dongwon Fisheries Co. and two other Korean fishing firms, began operation in the Okhotsk Sea, northeast of Sakhalin Island.

Korean fishing boats withdrew from the seas off Kamchatka in March 1977 when the Soviet Union and the United States declared the 200-mile economic zone.

Dongwon obtained fishing quota for 15,000 tons from two Soviet companies, including Sakhalin Commodity Exchange Co., at a cost of 275 U.S. dollars per ton, including 45 dollars in tax.

Dongwon will take 8,000 tons of the quota and allocate the remaining 7,000 tons equally to Oyang Fisheries Co. and Handoo Fisheries Co.

The Korean ships are allowed to operate until the end of this month and all the Alaska pollack to be caught in the area will be shipped to Korea.

Dongwon sent a 5,000-ton and a 2,500-ton vessels to the Okhotsk sea while Oyang and Handoo each sent a 5,000-ton ship to the area.

Two Trawlers Seized 29 Nov

SK0512090591 Seoul YONHAP in English 0854 GMT 5 Dec 91

[Text] Pusan, South Korea, Dec. 5 (YONHAP)—Two South Korean trawlers were captured by Soviet naval vessels last month while fishing illegally in the Okhotsk Sea and are being held at a Soviet port, it was learned here Thursday.

The identities of the boats and their crew are not known.

A senior Soviet-side official of Kosav, a Korea-Soviet joint venture fisheries company in Pusan, was known to have said that a fisheries bureau in Vladivostok informed him Tuesday [3 December] that two Korean fishing boats were seized Nov. 29 because they entered Soviet waters.

Seoul and Moscow had scheduled a working-level fisheries meeting in November after they signed a bilateral fisheries agreement in September, but it was postponed because of the worsening internal situation in the Soviet Union.

Currently, large Korean fisheries companies are not fishing in these waters as the Soviet Government asked them to restrain their fishing activities in September for fear of depletion of the marine resources.

Government To Reduce 'Tied Loans' to USSR

SK0512084291 Seoul TONG-A ILBO in Korean 3 Dec 91 p

[Text] As the Bank of Foreign Trade, the Soviet Union's channel for economic cooperation with the ROK Government, has gone insolvent due to shortages of foreign exchange holdings, the ROK Government has decided to reduce its tied loans to the Soviet Union for this year from the original $800 million to $298 million. It also has decided that pertinent officials will discuss whether to extend the remaining $502 million worth of loans.

A pertinent official from the Ministry of Trade and Industry said that as of 3 December ROK companies had received letters of credit totalling $289 million and have exported $115 million worth of 11 kinds of goods to the Soviet Union, and that export permits will be issued for the consumer goods for which letters of credit had been received.

This official further added that export permits will not be issued for the remaining $502 million, for which no letters of credit have been received, irrespective of whether or not export contracts have been signed.

As of 3 December, Samsung had exported cold-rolling steel plates worth $20 million and TMP (chemical product) worth $600,000; Hyundai Corporation, batteries worth $900,000 and sports shoes worth $4.1 million; Daewoo, zinc plates worth $3.2 million, polypropylene worth $3.8 million, polyethylene worth $3.4 million, medicines worth $3.3 million, and batteries worth $1.1 million; Lucky-Gold Star International, medicines worth $2.3 million; and Dorco, razor blades worth $2.5 million.

Meanwhile, as of 3 December, contracts for 32 items totaling $529 million had been signed, and the Korean Export-Import Bank approved 92 cases worth $443 million.

If the Soviet Union fails to pay for the ROK companies' exports, the ROK Government will pay for them, which means that the peoples' taxes will pay the bill.

Contract Guarantees Sought With Soviet Republics

SK0512070591 Seoul YONHAP in English 0623 GMT 5 Dec 91

[Text] Seoul, Dec. 5 (OANA-YONHAP)—South Korea will seek contract and payment guarantees from individual Soviet Republics for the remaining 1.2 billion U.S. dollars it has pledged in economic aid for the Soviet Union, officials said Thursday.

The new policy will be reflected in giving 500 million dollars in tied loans and 200 million dollars in plant exports next year, the officials said.

There were reports that Korea was considering withholding its economic aid as the Soviet Union is dissolving into independent republics. Seoul and Moscow agreed on a 3 billion-dollar economic aid package in January, including a 1 billion-dollar cash loan.

The final tranche of the cash loan was paid last month and the 800 million-dollar tied loan is on its way as goods are being shipped to the Soviet Union.

The 1.2 billion dollars in consumer and plant exports is to be divided over two years—700 million dollars in 1992 and 500 million dollars in 1993.

"The Soviet side has kept its promise until now and provided payment guarantees on four separate occasions, and we feel there is no need to be concerned for now," one Foreign Ministry official said.

"But there is a firm belief within the government that future aid should not be dispensed in a same way as before. Future loans will be granted only after contract and payment guarantees are signed by the individual republics," he said.

The last payment guarantee was signed by Ivan Silayev, chairman of the Interstate Economic Committee, after the failed coup as the representative of the central government. Prior to the coup, the Finance Ministry had signed the guarantees each time Korea made a cash loan or shipment.

"The guarantee signed by Silayev specifically says that should future developments in the Soviet Union call for new arrangements in carrying out the economic aid package, the Soviet side will fully consult with the Seoul government," the official said.

There was no concern that the Soviets might be unable to make interest payments on the loans as Moscow had been "very punctual" so far, he said.

The Soviet Union pays interest at the London Inter-Bank offered rate plus 1.25 percent every six months on the 1 billion dollar in bank loans.

Trade Group Recommends Investment in East Europe

SK0512030891 Seoul YONHAP in English 0147 GMT 5 Dec 91

[Text] Seoul, Dec. 5 (YONHAP)—A team of business experts which toured Poland, Czechoslovkia and Hungary recently recommended Thursday that South Korean enterprises, especially small- and medium-sized companies, go into the East European countries.

The team, formed by government officials and private businessmen, visited the three former communist countries between Nov. 17 and Dec. 1, to study investment environment, privatization of national enterprises and possible participation of South Korean companies in their economic activities.

In Hungary, the team said it found near perfect investment conditions for South Korean companies while business environment for foreign interests was also favorable in Poland.

Compared with these two countries, the conditions are relatively poor in Czechoslovakia, said a member of the team from the Korea Trade Promotion Corporation (KOTRA).

Although the Prague government offers a 15 percent reduction in corporate tax for foreign partners of joint ventures there, it could not serve as a great incentive because of the extremely high corporate tax rate which approaches the 40 percent line, the official said.

In Poland, the prospects for South Korean manufacturers of consumer goods are bright, he said, but large investment by Korean companies are not favorable as the Polish Government is trying to foster the growth of domestic industry.

It is much more desirable, he said, for Korea's small- and medium-sized companies to form joint ventures there by transferring aged or idle facilities to Poland.

Another official said that although all three countries are actively pursuing the privatization of national enterprises, he could not encourage South Korean companies to participate in them because they are not willing to give up management rights to foreign interests.

Aviation Accord Signed With Bahrain

SK0412071491 Seoul YONHAP in English 0607 GMT 4 Dec 91

[Text] Seoul, Dec. 4 (OANA-YONHAP)—South Korea and Bahrain initialed an aviation accord Wednesday establishing direct routes and waiving tax charges on aircraft inspection and fuel, the Foreign Ministry said.

The initialling came at the end of two days of talks between Kim Yong-kyu, director-general of the International Trade Bureau, and Ibrahim Abdulla al-Hamer, assistant undersecretary for Civil Aviation Affairs Development and Industry.

The accord allows multiple airliners to fly between the two countries, and tax-free aircraft safety inspection and fuel purchases and it calls for bilateral cooperation on aviational safety measures.

Korean Air Flights currently stop in Bahrain on a temporary permit as part of the airline's Saudi Arabia-Libya service.

Foreign Ministry To Augment Mission Attaches

SK0512031891 Seoul YONHAP in English 0229 GMT 5 Dec 91

[Text] Seoul, Dec. 5 (YONHAP)—The government will station officials from the education, health-social affairs, justice and unification ministries at its overseas missions as attaches next year to strengthen information exchange and cooperation, the Foreign Ministry said Thursday.

Seven attaches will be sent to the Soviet Union, the United States, Japan and Germany, five to new posts and two to support attaches already there, the ministry said.

An Education Ministry official will go to Moscow to establish an education system for Korean residents and their children in the Soviet Union.

Two Health and Social Affairs Ministry official will go to the United States and the European Community to improve technology importation and to exchange information on drug trafficking and AIDS prevention.

The Justice Ministry will send prosecutor-level officials to the United States and Japan, chiefly to upgrade the legal status of Korean residents there and cooperate on criminal jurisdiction and extradition.

The National Unification Board will add two officials to the one in Germany to collect information on German unification. They will remain there until May 30, 1994.

The attaches will take up their posts early next year.

Further Military Leadership Reshuffle Expected

SK0512092591 Seoul TONG-A ILBO in Korean 5 Dec 91 p 1

[Text] The government is expected to appoint today or tomorrow Lieutenant General So Wan-su (19th class of Korean Military Academy [KMA] and present commander of the Special Forces) as commander of the Defense Security Command; Major General An Pyong-ho (20th class of KMA and present chief of staff, personnel, of the ROK Army Headquarters) as commander of the Capital Defense Command; and Lieutenant General Kim Chin-son (19th class of KMA and present commander of the Capital Defense Command) as deputy Chief of Staff of the ROK Army, it was learned on 5 December.

Maj. Gen. An, who is expected to assume the post as commander of the Capital Defense Command, will be promoted to lieutenant general with the new appointment.

In the military personnel action that will follow the 29 November personnel action involving the top military commanders, including the appointment of the Joint Chiefs of Staff, Major General Kim Hyong-son (19th class of KMA and present chief of staff of the 2d ROK Field Army) will be appointed as commander of the Special Forces, and Major General Choe Sung-u (21st class of KMA and present deputy commander of the II ROK Army Corps) as chief of staff, personnel, of the ROK Army Headquarters.

This will bring about a series of changes in corps commanders and division commanders next week, which will result in the biggest personnel action ever in the Sixth Republic. About half the generals above the rank of brigadier general will change their posts.

This major reshuffle postponed the annual meeting of key commanders of the ROK Armed Forces, which is usually held in early December, to the latter part of December. At this meeting, Defense Minister Yi Chong-ku is expected to touch on not only pending defense and security issues, such as North Korea's nuclear weapons development, but a medium- and long-term defense policy and military strategy for the building of the military strength of the reunified Korea.

Democratic Liberal Party Floor Leader Profiled

SK0512011391 Seoul THE KOREA HERALD in English 5 Dec 91 p 2

[The "Newspeople" column]

[Text] Yi Cha-hon, 56, new floor leader of the ruling Democratic Liberal Party [DLP], is a soft-spoken yet level-headed four-term lawmaker. Yi has finally got a position that he, by general agreement, has long been qualified for.

Groomed for a key party post with a string of senior party jobs and experience in the administration, he replaced Kim Chong-ho, who resigned yesterday holding himself responsible for the ruling party's abrasive operating style in the National Assembly.

A graduate of elite Kyonggi High School and Seoul National University, Yi was a reporter for the Choson Ilbo and later chief editor of the semigovernmental daily, Seoul Sinmun, while still in his 30s.

He went on to become an assistant minister during the late President Pak Chong-hui's rule in the 1970s.

He entered politics in 1979 as a member of the Yujonghoe, a group of lawmakers handpicked by the strongman Pak without popular election. Since then, Yi has been elected to the National Assembly three times in a row in his home region of Pyongtaek, Kyonggi-to.

Now in his fourth term in parliament, Yi once served in the government of former President Chon Tu-hwan as minister of communications in 1985-86.

Currently heading the DLP's National Policy Research Institute, he takes over the job at a time when the ruling party faces tough negotiations with the opposition over revising the controversial laws on parliamentary elections and political funds.

Observers said that Yi's choice gives a big boost to a coterie of DLP lawmakers led by Rep. Yi Chong-chan. The new floor leader has been a key member of the grouping, popularly called the "New Politics Group." The group has promoted free competition in selection of the party's flagbearer in the next presidential election, an idea strongly disliked by Executive Chairman Kim Yong-sam, a presidential hopeful.

Sources close to him picked lack of social polish as his main character flaw. Perceived or real, they feared, his aloofness makes him ill-equipped for his new role that requires an affable personality and diplomacy as well as a sapient political sense.

His main hobby is playing golf, according to his aides. He plays with an 18-stroke handicap. His usual partners include DLP Co- chairman Pak Tae-chun and members of his group.

*Ruling Party Views New, Unified Opposition

922C0010A Seoul CHUGAN CHOSON in Korean 22 Sep 91 pp 10-13

[Article by reporter Kim Yun-su: "Dramatic Emergence of a Unified Opposition Party Creates a Political System of Majority Ruling and Strong Opposition Party—Ruling Circles Are Nervous About the New Party"]

[Text] The unification of the opposition parties, that in the past always failed at the last minute, has finally been materialized.

The large-scale unification of the opposition parties, that used to fail right before the decisive moments, settled Korean politics into a two-party system consisting of the majority ruling party and the strong opposition party.

Comparable to the unification of the former Democratic Justice Party [DJP], the Reunification Democratic Party [RDP], and the New Democratic Republican Party [NDRP], into the current ruling Democratic Liberal Party [DLP] in January 1990, the grand unification of the opposition parties became a reality when Kim Tae-chung, president of the New Democratic Party [NDP], and Yi Ki-taek, president of the Democratic Party [DP], shook hands at a press conference at the National Assembly on 10 September.

A new unified opposition party, tentatively named "Democratic Party," was born and it started legislative activities as a new negotiating body in the 156th general session of the National Assembly. Consequently, the ruling party is busy developing strategies in order to cope with the unified opposition party.

The ruling party's major interests lie in establishing new relationships with the new Democratic Party, and in predicting the new party's influence on the power balance within the ruling circle, as well as the forthcoming general election, the presidential election, and on the presidential successor.

The ruling party points out both positive and negative aspects of the influence of the unified opposition party on the future relationship between the ruling and the opposition parties and on the forthcoming elections.

One advantage is that a two-party system will make a positive contribution to the political development. The birth of a strong opposition party will stimulate the people's desire for creating a strong ruling party as well. It thus promotes solidarity within the ruling circles.

A negative aspect, on the other hand, is that the traditional election structure of the Honam [North and South Cholla Provinces] and the non-Honam regions has been weakened by the unification. The ruling party is already worried about a more difficult competition with the unified opposition party in the next election in some areas, including Seoul.

The potential influence of the unified party on the election in Seoul is believed to depend upon how the new Democratic Party transforms its image of a regional party.

There are two lines of thought within the political circles on the possibility of changing the image of the unified Democratic Party: one is that as long as Kim Tae-chung represents the party, the image will not change so much; and the other is that since the competition is now one-on-one, the political game will not be as simple as it used to be.

However, there are no arguments against the fact that the birth of the Democratic Party will eventually reinforce the positions of the two Kims [Kim Yong-sam and Kim Tae-chung] and will solidify the two Kims' political leadership.

It is also predicted that the position of the faction within the opposition parties that has been calling for a shift in generation will be weakened, since the unification is in fact a surrender to Kim Tae-chung by the former Democratic Party, that has been trying to break down the two Kims' political structure.

It is also believed that the enhancement of the two Kims' power due to the unification made the mainstream power within the ruling DLP [the former DJP and NDRP factions] nervous by substantially weakening the secret efforts to revise the constitution into a parliamentary-type government system.

The new Democratic Party leadership is defined in such a way that although Kim Tae-chung and Yi Ki-taek, who jointly represent the party, will decide overall party policies, Kim, who is older than Yi, will be registered with the Central Election Management Committee as the legal party president. It was also decided that the new party's executive committee will consist of an equal number of five from each party and that the party will be managed based on unanimous agreements.

The unification was possible because of compromises between the two parties: Kim accepted Yi's proposal for a system having joint representatives, and Yi accepted Kim's proposal for a party system having only one legal representative. The major factor in materializing the unification is, however, a substantial concession by Kim Tae-chung, based on his firm determination not to run for the presidency unless the opposition parties are unified.

The two parties felt that unless they are unified they may be total losers in the forthcoming 14th general election scheduled in about six months. It is such a feeling of crisis that saved the extinguishing fire of unification of the opposition parties. The strong feeling of "we cannot fail this time," in the last minutes of negotiation must have contributed to the success.

The rapid progress in the unification efforts started from 3 September, when the negotiation for the so-called "small-scale unification" between the Political Development Research Group [PDRG], which is a minority group within the new Democratic Party, and the Democratic Party failed on 3 September. Since then, the two parties started to have direct negotiations, excluding the PDRG. The discussion naturally turned toward a "large-scale unification."

The position of Yi's Democratic Party was substantially weakened due to the failure of the "small-scale reunification" with the PDRG. Kim Tae-chung's New Democratic Party, on the other hand, was in a more favorable position for the negotiation.

The negotiation that has been urging the political decision by Kim Tae-chung started to call for the decision by Yi Ki-taek instead. Meanwhile, some assemblymen, including Yi Chol and Chang Sok-hwa, and Democratic Party's Vice President Yi Pu-yong started to persuade the party President Yi Ki-taek.

They persuaded their boss, who is known to be irresolute, by telling him, "A humiliating merge with the New Democratic Party is still better than no unification," or "If an honorable large-scale unification and a progressive small-scale unification becomes impossible, a humiliating large-scale unification is still better than none."

Meanwhile, the NDP Assemblyman Han Kwang-ok has been secretly meeting with Democratic Party's Vice President Yi Pu-yong and Assemblyman Kim Chong-kil. Through these secret negotiations, the plan of concession by the Democratic Party was delivered to Kim Tae-chung.

The unification negotiation started to make rapid progress when NDP Assemblyman Han delivered Kim Tae-chung's message to Yi Ki-Taek that the NDP can accept the DP's concession proposal.

Yi Ki-taek left a big scar in the efforts of the grand unification by showing incoherent attitudes. For instance, Yi reversed his original promise to make an announcement of the unification on 10 September by saying on 8 September that he cannot accept the NDP proposal for a party system having one man who is legally representing the new party. He changed his mind the next day that he could accept the proposal.

His indecisiveness later proved to be a political gesture aimed at pacifying the outside-assembly regional party committee chairmen who are his close associates, opposing the unification and the backlash by the Yongnam [South and North Kyongsang provinces] regional party committee chairmen. It is the general opinion in political circles that such a gesture is a revelation of the lack of political capacity. Some analysts predict that Yi will soon be overpowered by Kim because of his lack of political leadership.

An interesting point that drew the most attention during the negotiation process was how many Democratic Party members will join the new unified Democratic Party and how many will remain in the old party.

When the negotiation was near conclusion, some regional party chairmen outside the National Assembly made fierce protests by visiting Yi Ki-taek's house and protested that they cannot surrender. About 30 non-Honam regional party chairmen outside the National Assembly had continuous meetings with Assemblymen Pak Chan-jong and Kim Kwang-il and later announced that they will not join the new party.

The party President Yi Ki-taek and his proponents of the unification unsuccessfully tried to persuade 36 Yongnam regional party chairmen (11 from Pusan, eight from Taeku, eight from Kyongpuk province, and nine Kyongnam province) to join the new party. Most of the 36 insisted that as long as Kim Tae-chung represents the new party and his name is signed on the nomination recommendation, they will not win the general election. They criticized Yi Ki-taek by saying that Yi opted for the national constituency [indirect election by proportional representaion system] by giving up running for direct election in the Haeundae region of Pusan. They also criticized Assemblymen Kim Chong-kil and No Mu-hyon by saying that they sold the party in exchange for nomination promises in the prestigious Seoul area. They started to restore the shambling party under the leadership of the party's Vice President Pak Chan-jong.

Kim Tae-chung, the joint representative of the new Democratic Party, disclosed that the party will adopt a middle-of-the-road, moderate reform policy as a principal policy and party line. He also declared that he will lead the new party by pursuing a liberal democracy, an open economy, and a welfare society. Kim also emphasized a moderate policy by saying that he will continuously fight against the conservative ruling DLP, whose policies protect only the vested interests of the established minority by developing policies to protect the interests of the popular mass alienated by the No Tae-u Government, including the middle class and the handicapped.

In any case, it can be concluded that Kim Tae-chung has conquered an important territory in relation to the general as well as presidential elections by securing a substantial bridgehead in non-Honam areas as a result of the unification.

*Government To Invest in Information Network

922C0003A Seoul HANGUK KYONGJE SINMUN in Korean 9 Sep 91 p 7

[By reporter Chong Man-ho: "Unnecessary Controls Being Reviewed, Competition Encouraged"]

[Text] The government has decided to invest 200 billion won during the Seventh Five-Year Plan period (1992-96) to speed up the information network system for medium- and small-size businesses, to increase the computer utilization rate to 70 percent, and to open up a value added network [VAN] to the public in 1994. It also decided to expand the scope of financial deregulation and, in the business management area, to shift from the present affiliation-based, centralized management system to a company-by-company independent management system. At the same time, it will create industrial complexes for exclusive use by foreigners for their investment activities and amend the current investment-related systems across the board to accelerate overseas investments. Focusing on these points, on 7 September, the government prepared "plans to respond to the tides of internationalization, deregulation and information networks." Following is a summary of the announced plans. (Editor's note)

Internationalization

Internationalization and total amount management: In the pre-internationalization days, domestic and overseas financial markets were separated and we could pursue interest-rate, currency, and exchange-rate policies on a relatively independent basis; with internationalization, however, we have come to face a new array of factors in terms of total amount management. The transfer of capital between countries is liberalized and interest rates are closer to international levels on long-term bases, while businesses come to use selectively both domestic and overseas financial markets. With exchange rates, it becomes difficult to maintain a practical and effective rate to deliberately preserve competitiveness in trade; instead, the rates would change slowly and reflect the industry's technological competitiveness.

Consequently, if we are to keep the interest rates close to international levels, it will be necessary to establish a reasonable rate of growth and thereby eliminate any excessive demands for funds, thus stabilizing prices. Also, because there are limits to adjusting a trade imbalance through exchange rate manipulations, it is important to increase the industry's technological competitiveness.

Internationalization and industrial activities: As internationalization of industrial activities progresses, overseas investments by our businesses and investments in Korea by foreign firms will gain momentum.

Lately, overseas investment activities have become brisk. As of the end of 1990, 1,243 cases of such investments were reported, the total size reaching $2.355 billion; the proportion of investments in four Southeast Asian countries (Malaysia, Thailand, Indonesia and the Philippines), however, remained at 4.6 percent, the same level as in 1989, indicating a serious lag compared with rival countries such as Japan (32.8 percent), Taiwan (10.5 percent), and Hong Kong (7.8 percent). Even Singapore was ahead of us, with 4.7 percent. Meanwhile, investments in Korea by foreign firms have lately been on the decline. While decreases in hotel investments are cited as a major contributing factor, investments in manufacturing industries also remain at a low level.

In-Korea investments by foreigners fell from $1.3 billion in 1988 and $1.1 billion in 1989 to $0.8 billion in 1990. Japan's overseas investments reached $27.2 billion in North America, $14.4 billion in Europe, and $7.1 billion in Asia, for a total of $57 billion. Nevertheless, of its investments in Asia, those in Korea were only $0.2 billion.

The low foreign investment figures are attributed to inferior investment environments including wage and location factors, plus the fact that there are few cases of large-scale foreign investments in manufacturing industries. Their investments from January 1987 through July this year averaged approximately $3.6 million per case.

Meanwhile, although our manufacturing industries have been largely liberalized as far as institutions are concerned—the liberalization was 97.7 percent as of the end of last year—a move for switching to a notification system came up this year, which is seen as another factor responsible for the investment slump. In order to gain more vigorous investments by foreigners, systems and investment environments need to be improved. To that end, the reclaimed coastal areas should in part be turned into industrial complexes for exclusive use by foreigners for their investment activities, thereby substantially expanding foreign investment free zones.

To accelerate overseas investments of our businesses, it is necessary to improve investment-related systems currently in effect.

Internationalization and financial activities: As financial environments get internationalized, our enterprises come to use domestic and overseas financial institutions on selective bases, while our financial institutions are also allowed to freely engage in business activities at home and abroad on selective bases and under the principle of reciprocity. As a result, external assets and liabilities will grow simultaneously. Based on 1989 statistics, Japan's external assets reached $1,600 billion, a 38.5 percent growth over five years, while its external liabilities also increased 40.3 percent to $1,336 over the same period. The fact that its external assets and liabilities are registering such substantial, simultaneous gains indicates that Japan is not only increasing its national wealth expansively but also building its crisis management capability against emergencies.

On the other hand, in Korea's case, its external assets and liabilities are small both in absolute amounts and growth, reflecting lags in internationalization. Korea's external asserts last year were $27 billion worth showing a 19.1 percent gain over five years while its external liabilities decreased 7.5 percent to $32 billion.

In order to prepare for internationalization, we need to maintain an adequate surplus in the balance of payments and increase the competitiveness of our financial institutions in the future. At the same time, it is important for our businesses to accumulate advanced financial techniques.

Deregulation

Financial deregulation: When capital movements are liberalized domestically and externally, direct control of interest and exchange rates becomes difficult and practically less effective. Hence, they should be left to be determined by market forces.

Even if the market functions increase, the government should strengthen its supervisory role to protect the depositor interests and maintain trust and order.

Specialization and deregulation of business management: To lay foundations for advances and compete with foreign businesses, it is important to promote specialization and creativity through deregulation of internal management.

It is necessary to shift from the affiliation-based centralized management system to a company-by-company independent management system centering on specialist management groups.

To establish independent specialist management systems like that, we must do something to correct the mutual payment guarantee arrangements we have among the affiliated firms and to promote independence and specialization of the affiliated firms through intensified control of internal transactions.

For localization to take root: In order to reinforce the planning and managing capabilities of local governments and shore up their administrative abilities on economic and development programs, it is necessary to expand personnel exchanges between the central and local governments.

To upgrade local finances, independent local revenue sources should be expanded by finding new tax and non-tax revenue sources, for instance. At the same time, national and local tax systems should be reorganized. It is also necessary to create public corporations for regional developments which will work to ease development gaps between local governments and undertake the issuing of bonds for local development programs.

Review of government controls: Government controls will continue to be reviewed to promote competitiveness and remove inconveniences in business activities.

In the manufacturing industry areas, the order of competition has been established to a certain extent; therefore, we must put emphasis on promoting competition in the non-manufacturing industry areas where competition still remains insufficient.

With regard to controls for the preservation of the environment and utilization of national land, and to regulations of supervisory nature such as those for food safety and the maintenance of credit order, they should be improved in a way that makes the control unequivocally clear in contents and fair in operations.

Expansion of government services furnished by the private sector: The role of private businesses has significantly expanded in various government service areas such as municipal public transportation, education, public health, communications and garbage collection. Systems should be further developed to ensure its continued expansion.

At the same time, while pressing on with their privatization, the government should guarantee public enterprises stable long-term business activities so that they can increase their management efficiency.

Information Networks

In the information network area, the government has decided to put emphasis on upgrading industrial information networks, increasing the competitiveness of information and communications activities, and on enhancing the public awareness of the importance of information networks.

Industrial information networks: Emphasis will be placed on programs for medium- and small-size business information networks, distribution industry information networks, trade automation, and information networks for different manufacturing industry sectors.

For medium- and small-size business information networks, the government, based on "the Special Measure Law for Promoting Financial Stability and Structural Readjustments of Medium- and Small-size Enterprises" (expiring in 1994), has decided to invest 200 billion won for a industry-oriented information network project, a computer-lease project, and a project to develop a general-purpose software program for medium- and small-size enterprises, and thus to increase the rate of computer utilization by medium- and small-size enterprises to 70 percent by 1994.

To accelerate the distribution industry information network project, emphasis will be placed primarily on the dissemination and expansion of the POS (point of sales) system—the Distribution Information Center under the Chamber of Commerce and Industry will be in charge of this project—and a distribution VAN will be set up for eligible distribution firms.

To speed up the physical distribution information network project, the plan is to convert the warehouse functions into physical distribution centers (direct distributing centers) through mechanization and automation of warehouse operations. The standardization of packing, of business and transaction documents, among manufacturing, transportation and distribution industries will be promoted. Freight information centers will be set up at major freight terminals, and export and import transport bases (ports, railway stations and airports) across the country. They will be connected with freight transport firms, also by freight information networks yet to be built.

In the trade automation area, we will switch from the present method of letter exchanging to electronic documentation; 100 billion won will be spent on completing the automation project by 1995, with the Korea Traders Association taking the lead.

As regards information networks for individual manufacturing sectors, VAN programs are now in their initial stages in the auto and steel industries while similar networks are also being planned in the textile and electronics industries.

In the auto industry, integrated information networks will be built to connect finished car firms with parts makers. To that end, by 1994 each enterprise will complete the building of a network covering parts manufacturers, agents, and software companies as the first-stage project, introduce CAD and CAM to medium- and small-size parts makers as the second-stage project, and the create an integrated production system covering all the auto manufacturing companies as the third and final-stage project.

To press on with such information network projects for different manufacturing sectors, the government will extend positive support to the protocol standardization project for an information network covering medium- and small-size parts makers, which will be linked to overall medium- and small-size enterprise information networks.

For competitive information and communications industries: The government has decided to vitalize information and communications industries by expanding the private-sector participation and to foster high-tech industries on priority basis by accelerating personnel training and technology developments. It has also decided to shift from the hardware-first assistance policy and to extend positive aid to the software industry, too.

To vitalize information and communications industries, the government plans to open up VAN systems by about 1994. To foster information and communications entrepreneurs, it has also decided to improve the quality of communications circuits and reduce the rates for medium- and small-scale entrepreneurs.

It has decided to expand demand bases by supplying 10 million information and communications terminals across the country and through information and cultural dissemination programs, and to use the Information and Communications Development Fund to support entrepreneurial efforts for personnel training and technology developments.

To accelerate technological developments in the information and communications areas, the government will also establish systems which link universities, research institutes and industries, which upgrade entrepreneurial research and development capabilities, and which increase research and development program investments to 1,645.6 billion by 1996 for telecommunications entrepreneurs.

To industrialize key technologies, technology information networks will be introduced between industries and research institutes. To support efforts in this area, the Korea Electric Power Corporation committed itself to raising 200 billion won in an information and communications development fund.

The government has decided to develop and disseminate standard technologies that will form the basis for domestic information and communications industries and to step up research on and cooperation with standard international systems, so as to keep pace with the liberalization of communications markets.

To bring up software industry, the government has decided to speed up the development of neuro-computer technology and automatic SW [software] production plant technology.

It has also decided to develop 10 major SW programs and to strengthen the protection of intellectual property by revising the "Computer Program Protection Law." SW industry complexes will be built. Also, efforts will be made to open SW distribution centers. In addition, the government has decided to give the SW industry the same level of support that it gives manufacturing industries.

For better public understanding of information networks: The government has decided to upgrade the key state computer networks, speed up regional information network projects, and to enhance the public's adaptations to the information-oriented trends.

To complete the key state computer networks, an integrated administration information system and customer-service computer networks for banks will be built.

For regional information networks, regional information and communications centers will be set up in nine regional bases and post offices will be computerized. An information and communications complex will also be built in the new city under construction.

Brunei, Malaysia & Singapore

Malaysia

Foreign Minister Meets New UN Secretary General

BK0512074391 Kuala Lumpur BERNAMA in English 0656 GMT 5 Dec 91

[Text] Kuala Lumpur, Dec 5 (BERNAMA)—Foreign Minister Abdullah Ahmad Badawi, who met incoming United Nations Secretary General Butrus Ghali Wednesday, has appealed to him to bring about an international economic environment helpful to developing countries.

The Malaysian permanent mission to the UN said he made the appeal in a meeting with Ghali in New York enroute to Dakar, Senegal to attend the Organisation of Islamic Conference summit.

Abdullah had earlier attended the G-15 [group of 15 developing countries] summit in Caracas, Venezuela, the mission said in a statement Thursday.

During the meeting, he also underlined Malaysia's stand on the necessity of ensuring the central role of the UN in the new world order to ensure democracy in international relations and decision making.

"Abdullah expressed the Malaysian view that the secretary general should be allowed to play a bigger role and have room to undertake initiatives in the promotion of peace as well as promoting multilateral economic cooperation," it said.

Abdullah and Ghali also discussed reforms and revitalisation of the UN, an important ongoing process which Malaysia and her ASEAN partners fully supported and were actively engaged in.

When discussing Cambodia, he urged Ghali to consider an early appointment of a special representative and the strengthening of UN presence to give a stabilising effect in the light of recent developments in the Southeast Asian country.

Ghali was elected secretary general at the UN General Assembly on Tuesday and his meeting with Abdullah was his first high-level contact with a foreign minister, the statement said.

Abdullah complimented Ghali on his acceptance speech outlining the broad agenda for the UN in response to a fast changing world, and said that Malaysia shared many of the points in the speech.

Government Denies Instigating Reports on Australia

BK0412131991 Kuala Lumpur NEW STRAITS TIMES in English 3 Dec 91 p 8

[Text] The Government did not instigate local newspapers to publish negative stories and features about Australia although the Australian mass media had often painted a wrong picture about Malaysia several months ago.

Deputy Foreign Minister Datuk Dr. Abdullah Fadzil Che Wan also denied that Information Minister Datuk Mohamed Rahmat had ordered local mass media to manufacture negative stories and articles about the country.

"There were some articles that had negative connotation published in the local newspapers during that time but those were not manufactured stories. They were the truth.

"Everything that was published by the local newspapers about Australia, be it negative or positive, was not because of any instigation of the Government."

The Deputy Minister was replying to a supplementary question by Dr Kua Kia Soong (DAP [Democratic Action Party]-Petaling Jaya) who alleged that the Government had instigated the local newspapers to publish negative stories about Australia.

To another question from Encik Ruhanie Ahmad (BN [Barisan Nasional]-Parit Sulong), Datuk Dr Fadzil said Australian mass media had "mellowed a little" in their criticism about Malaysia following the meeting between Prime Minister Datuk Sri Dr Mahathir Mohamed and his Australian counterpart Bob Hawke during the Commonwealth Heads of Government Meeting in Zimbabwe.

He said Mr Hawke had assured Dr Mahathir that the Australian Government had disassociated itself from the country's mass media following the campaign to slur Malaysia.

To another question by Dr Nawawi Mat Awin (BN-Tambun), Datuk Dr Fadzil said Malaysians were only allowed to visit South Africa as tourists or for the purpose of social and cultural exchange.

"We still cannot allow Malaysians to visit South Africa for trade purposes because the trade sanction against the country by the United Nations is still being enforced," he said.

Government Seeks Business, Trade Offices in PRC

BK0412140291 Kuala Lumpur BERNAMA in English 0902 GMT 4 Dec 91

[Text] Kuala Lumpur, Dec 4 (OANA-BERNAMA)—Deputy International Trade and Industry Minister Chua

Jui Meng has asked China to allow the setting up of Malaysian trade offices in that country, to promote direct trade.

Chua told newsmen after opening the "China's arts and crafts" exhibition here Wednesday that China should liberalize its policies on foreign trading companies, in line with its open-door policy and economic-modernization programs.

He said Malaysia regarded China as a valued trading partner and had allowed it to establish offices here two years ago.

Chua also said Malaysia's impressive trade growth of 212 percent with China from 1985 to 1990 indicated the potential for further trade expansion.

"The setting up of our trade offices in China would certainly enhance economic cooperation between the two countries", he added.

Currently, Malaysian companies are not allowed to set up offices in China.

Outgoing British Envoy on 'Very Good' Ties

BK0512111591 Kuala Lumpur BERNAMA in English 1011 GMT 5 Dec 91

[By Ghazemy Mahmud]

[Text] Kuala Lumpur, Dec 5 (OANA-BERNAMA)—Relations between Malaysia and Britain is set to be further enhanced in the 1990s with improvements in trade and other areas, outgoing British High Commissioner Sir Nicholas Spreckley said Thursday.

"Relations between Britain and Malaysia are now very good from the prime minister downward. Our shared past give the relationship richness and variety to it," he said in an interview at the high commission here on his last day of work after serving five years in the country.

Sir Nicholas, 57, is among the longest-serving heads of foreign mission in Malaysia and will retire from the foreign service upon his return to the United Kingdom.

He said there were problems in the early 1980s but relations had greatly improved and was on an upward trend.

"British investment in Malaysia is around 11 billion ringgit (about U.S. $4.07 billion).

Many Malaysians still study in the UK and the present 1990 figure of over 10,000 students is growing," he said.

Sir Nicholas said the present state of relations should continue even after Prime Minister Dr. Mahathir Mohamed's time.

He said the present relations were founded on the understanding reached in 1985 and 1987 between Dr. Mahathir and Mrs. Margaret Thatcher but the good relations continued with Prime Minister John Major.

Sir Nicholas said British exports to Malaysia have risen steadily over recent years, as have Malaysian exports to Britain where the Malaysian-made Proton cars have been particularly successful.

He said last year British exports to Malaysia was worth 602 million pounds sterling (2.94 billion ringgit), an increase of 36 percent over the previous year and a further increase was expected in 1991.

Malaysia has been successful in attracting a healthy level of investment from the UK which in recent years has usually been the leading European investor in the country, he added.

He said in the first nine months of 1991, UK's industrial investment alone amounted to over 100 million pounds sterling (490 million ringgit).

Sir Nicholas said Britain's commitment to the Five Power Defence Arrangement (FPDA) would continue after the British withdrawal from Hong Kong in 1997.

Increase in Foreign, Local Investments Reported

BK0512061491 Kuala Lumpur BERNAMA in English 0450 GMT 5 Dec 91

[Text] Kuala Lumpur, Dec 5 (OANA-BERNAMA)—Foreign and local investments increased in Malaysia in the last three years, the lower house of Parliament was told here.

Deputy Minister of International Trade and Industry Chua Jui Meng said local investment jumped to 20 billion ringgit (about U.S.$7.4 billion) while foreign investment increased to 33 billion ringgit (about U.S.$12.2 billion) during the period.

The rate of local investment was five billion ringgit (about U.S.$1.85 billion) per year and foreign investment was in the region of 8.25 billion ringgit (about U.S. $3 billion) per year, he said when winding up the debate on matters pertaining to his ministry.

Cambodia

Sihanouk: U.S. 'No Role' in Khmer Rouge Fate

BK0512040091 Hong Kong AFP in English 0351 GMT 5 Dec 91

[Text] Phatthaya, Thailand, Dec 5 (AFP)—Prince Norodom Sihanouk said Thursday that the United States had no role to play in determining the fate of the Khmer Rouge and urged the U.S. Administration and Congress not to meddle in Cambodian affairs.

The prince, the neutral head of Cambodia's reconciliation body, was reacting to a letter from U.S. senators urging President George Bush to ensure that the radical Marxist Khmer Rouge could not use Cambodia's peace process to return to power.

"It is up to the people of Cambodia to judge, to condemn or not to condemn the Khmer Rouge," Prince Sihanouk told a press conference before leaving here for Phnom Penh.

"The U.S. Congress should not interfere in the sovereignty and internal affairs of the (future) Cambodian parliament," he said.

"We respect America, but America, please respect us also," Prince Sihanouk said.

Under a peace treaty concluded between the Phnom Penh goverment and a guerrilla coalition dominated by the Khmer Rouge, which is held responsible for the deaths of more than one million during its 1975-79 rule of Cambodia under Pol Pot, the United Nations is to supervise elections in the Southeast Asian country in early 1993.

Cambodia's reconciliation body, the Supreme National Council (SNC), is made up of representatives from the rival factions including the Khmer Rouge.

In a letter to Bush, 55 senators warned that congressional support towards the funding of U.N. operations in Cambodia would be "difficult to sustain...unless there is confidence that the process will not assist the Khmer Rouge."

Cambodia's future National Assembly "cannot be a satellite or a slave of the parliament (Congress) of the United States," Prince Sihanouk said.

The prince was overthrown in 1970 as Cambodia's head of state by a U.S.-supported coup. He subsequently became an ally of the Khmer Rouge although he has consistently condemned the faction's atrocities and expressed support for the setting up of an international court to try Pol Pot and his chief associates.

Until only a few months ago Prince Sihanouk was the head of the Khmer Rouge-dominated guerrilla coalition but since becoming SNC chairman he has declared his neutrality and insisted he wanted to serve as "a bridge" between the rival factions.

"I support one hundred percent the idea of setting up a tribunal to...condemn the Khmer Rouge," he told the press conference. "But if the people of Cambodia give them seats in the National Assembly, then they must enjoy parliamentary immunity," the prince said.

Prince Sihanouk predicted that the Khmer Rouge would be defeated in the 1993 elections.

The prince was in this Thai seaside resort to attend discussions of the SNC and representatives of major powers including the United States, which led to a compromise allowing Khmer Rouge leaders to return to Phnom Penh and take part in meetings of the SNC there.

Khieu Samphan and Son Sen, who represent the faction on the council, had to flee the Cambodia capital for their lives last week when their headquarters were stormed by an angry crowd in retaliation for atrocities during the Khmer Rouge rule of Cambodia.

FUNCINPEC Military Delegation Leaves 27 Nov

BK0112053691 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1200 GMT 30 Nov 91

[Text] After carrying out a number of military activities with the army and our State of Cambodia's Government, on the morning of 27 November, a military delegation of the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party with Major General Kruoch Yoeum, deputy chief of staff of the FUNCINPEC army; and Kim Hang, chief of the FUNCINPEC party's military coordinating committee, left on a Thai airways plane.

Among those seeing the delegation off were Maj. Gen. Preap Tan, deputy chief of the General Political Department, and a number of leading officials from the Defense Ministry. Many leading officials of the FUNCINPEC party were also present.

Foreign Minister Comments on Khmer Rouge Rule

BK0512014491 Phnom Penh SPK in French 0438 GMT 30 Nov 91

[Text] Phnom Penh 30 Nov (SPK)—Cambodian Foreign Minister Hor Namhong on Friday, 29 November said the Supreme National Council [SNC] would find a solution to the recent crisis over the Cambodian peace plan.

The minister also emphasized that Prince Norodom Sihanouk's recent proposal to demobilize "100 percent" of the troops of the contending Cambodian factions "should be discussed" later.

"We will find a solution to implement the peace accords without incident," the foreign minister said in an interview with AGENCE FRANCE-PRESS.

Prince Sihanouk called the Wednesday [4 December] meeting of the SNC in the Thai city of Phatthaya after the hasty departure from Phnom Penh of Khmer Rouge leaders Khieu Samphan and Son Sen, who were attacked by demonstrators on Wednesday, 27 November.

The demonstrators were protesting that more than one million people were killed by the Khmer Rouge under their ultra-radical rule between 1975 and 1979.

"This was a mishap. Give us some time to arrange things and everything will work out," Hor Namhong said.

The minister pointed out that the main topic of the discussion in Thailand would be dealing with the problems of security for the SNC delegations. Hor Namhong will depart for Thailand on Monday, 2 December.

SPK Confirms Cancellation of Sihanouk Trips

BK0512053391 Phnom Penh SPK in French 0400 GMT 5 Dec 91

[Text] Phnom Penh 5 Dec (SPK)—Prince Norodom Sihanouk, chairman of the Supreme National Council [SNC] of Cambodia, has canceled a visit to Vietnam scheduled for December, AGENCE FRANCE-PRESS quoted Cambodian and diplomatic sources as saying.

Prince Sihanouk has also called off a visit to Laos to which he would go immediately after his trip to Vietnam, the same sources added.

The SNC, regrouping all the Cambodian factions, is a coalition of the guerrilla movements and the Phnom Penh government. Prince Sihanouk is currently in Phatthaya where he met with the representatives of the five permanent members of the UN Security Council—United States, China, France, Great Britain, and the Soviet Union—who on Tuesday, 2 December told him that they wished to see that the SNC meet in Phnom Penh "as quickly as possible."

UN, PICC Envoys Issue Communique on Meeting

BK0512042191 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 4 Dec 91

["Press Communique" issued by the representatives of the five permanent members of the UN Security Council, Paris conference cochairmen, and United Nations; dated 3 December; read by announcer]

[Text] The representatives of the five permanent members of the UN Security Council [UNSC] to the Supreme National Council [SNC] of Cambodia; Mr. Jean-David Levitte, representing the Paris conference cochairmen; and Ambassador (Nana Taul Krasna) and Ambassador Ataul Karim—head of the UN advance mission in Cambodia [UNTAC]—representing the United Nations met with the SNC under the chairmanship of Samdech Norodom Sihanouk in the Thai city of Phatthaya on 3 December 1991.

The representatives collectively agreed that the normal work that the SNC should undertake in Phnom Penh in a safe environment is a vitally important issue in the process of successfully implementing a peace accord in Cambodia on a comprehensive political settlement of the Cambodian conflict. They expressed concern over the 27 November 1991 tragic incident in which the residence of their excellencies Khieu Samphan and Son Sen, members of the SNC from the Party of Democratic Kampuchea, was stormed, creating troubles for an SNC meeting planned in Phnom Penh.

The representatives earnestly praised Samdech Norodom Sihanouk for his drive to solve the difficulty that has delayed the SNC meeting in Phnom Penh. They voiced staunch support for a solution formulated by the samdech and all the members of the SNC in order to enable the SNC to meet in Phnom Penh at an early date. They also welcomed the samdech's initiative to motivate the SNC secretariat to function in Phnom Penh immediately following the samdech's return to the Cambodian capital city.

The representatives of the five UNSC permanent members, Paris conference cochairmen, and United Nations hoped that they would be able to work closely with the SNC secretariat and the SNC itself in Phnom Penh as soon as possible.

[Dated] Phatthaya, Thailand 3 December 1991.

Hun Sen: SNC To Meet in Phnom Penh in Dec

BK0512075991 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 5 Dec 91

[Text] Mr. Hun Sen, member of Cambodia's Supreme National Council [SNC], announced yesterday that the SNC plans to meet in Phnom Penh before the end of December.

Mr. Hun Sen, who made this announcement at Pochentong Airport upon his return from Phatthaya, Thailand, where he had attended the SNC meeting, said that the Khmer Rouge certainly will be satisfied with the new guarantees of protection. Mr. Hun Sen added that his party has provided assurances that there will be no repetition of the 27 November incident.

Mr. Hun Sen persuaded the Khmer Rouge at the talks in Phatthaya on Tuesday to return to the peace process, pledging that mob attacks against the Khmer Rouge leaders would not recur when they return to Phnom Penh.

Plan for Coalition With Phnom Penh 'Dropped'

BK0512080091 Hong Kong AFP in English 0746 GMT 5 Dec 91

[By Charles-Antoine de Nerciat]

[Text] Phatthaya, Thailand, Dec 5 (AFP)—Prince Norodom Sihanouk said here Thursday that plans for a coalition between his supporters and the Phnom Penh government had been dropped, adding he only trusted Prime Minister Hun Sen "50 per cent."

The mercurial prince, who earlier this year was appointed as the neutral head of Cambodia's interim authority, had made apparent moves last month to throw in his lot with Phnom Penh and abandon his former guerrilla allies.

But he told a press conference here before returning to the Cambodian capital that plans to form a coalition government between Phnom Penh Prime Minister Hun Sen and a guerrilla faction which supports him had been "definitely" dropped.

Sihanouk, who before being appointed chairman of the Supreme National Council (SNC) led an anti-Phnom Penh guerrilla coalition dominated by the Khmer Rouge, also credited nominal Khmer Rouge leader Khieu Samphan with courage.

But at the same time he said that it would have served the cause of the Khmer Rouge, the backbone of the guerrilla coaltion, if Khieu Samphan would have been lynched by an enraged mob that attacked the leaders of the radical Marxist faction in Phnom Penh last week.

"For Khieu Samphan to die for Pol Pot, it is not so bad," he said. "Khieu Samphan is a man capable of sacrificing himself to get tremenduous moral and political advantages for the Khmer Rouge movement... He is a man of courage."

Pol Pot, the paramount chief of the Khmer Rouge, ruled Cambodia between 1975 and 1979, presiding over the death of more than a million in the country's "killing fields."

Asked whether he feared betrayal from Phnom Penh's Prime Minister Hun Sen, Prince Sihanouk rplied: "I trust him 50 per cent."

The 69-year-old former monarch, who was overthrown in a 1970 U.S.-supported coup, said the current Phnom Penh leadership was the least bad among those which ruled Cambodia since his fall. But he added: "That does not mean that they will not betray me."

Prince Sihanouk quickly added however that he was "well trained in the sport of facing those terrible people who are capable of betraying me."

Prince Sihanouk had been criticised for putting at risk Cambodia's fragile peace, concluded in October in Paris, when it was recently announced that Hun Sen and the prince's son, Prince Norodom Ranariddh, were to form a coalition government.

He told the press conference that plans for such a government had come under attack not just from the guerrillas but also from foreign countries.

Although Prince Sihanouk declined to identify those countries, diplomats have said that China, the main ally of the Khmer Rouge, and Thailand were among them.

The prince pledged to work closely not just with Phnom Penh but also with leaders of the Khmer Rouge and non-communist guerrilla groups headed by Prince Ranariddh and former Prime Minister Son Sann.

Sihanouk said the Khmer Rouge and Son Sann had "vetoed" a visit he was to pay to Vietnam later this month, forcing him to cancel the trip. But he insisted that good relations with Hanoi were indispensable to guarantee peace in Cambodia and said he would like to go to Vietnam early next year.

In the meantime he intended to invite Vietnamese Foreign Minister Nguyen Manh Cam to visit Phnom Penh, he said.

Elaborating on the ordeal of Khieu Samphan, who has now accepted to return to Phnom Penh to participate in SNC meetings in the Cambodian capital, Prince Sihanouk said the Khmer Rouge leader's belief in his ideology was comparable to the faith of early Christians.

"To be devoured by the lions of Phnom Penh is of no importance (to Khieu Samphan), as long Pol Pot, his Christ, is protected," the prince said. "Well, Pot Pot is rather like the Antichrist," he added.

Sihanouk Welcomed on Return to Phnom Penh 5 Dec

BK0512064191 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 5 Dec 91

[Text] At 1115 on 5 December, Samdech Norodom Sihanouk, head of state and chairman of the Supreme National Council [SNC] of Cambodia, and his consort returned to Phnom Penh after having attended an SNC meeting in the city of Phatthaya of the Kingdom of Thailand.

On hand to welcome the samdech at Pochentong Airport were His Excellency [H.E.] Heng Samrin, honorary chairman of the Cambodian People's Party [CPP] Central Committee and chairman of the Council of State, and his wife; H.E. Chea Sim, chairman of the CPP Central Committee, National Assembly, and National Council of the Kampuchean United Front for National Construction and Defense; H.E. Hun Sen, vice chairman of the CPP Central Committee and chairman of the Council of Ministers, and his wife; and other members of the standing committee of the CPP Central Committee, notably General Bou Thang, vice chairman of the Council of Ministers and chief of the General Political Department of the Cambodian People's Armed Forces [CPAF]; Mr. Chea Soth, vice chairman of the Council of Ministers; Mr. Sar Kheng, chef de cabinet of the CPP Central Committee and chairman of the Central Organization Commission; Mr. Mat Ly, vice chairman of both the National Assembly and CPP Central Committee's Control Commission; General Tie Banh, vice chairman of the Council of Ministers and defense minister; Mr. Nguon Nhel, agriculture minister; Mr. Ney Pena, vice chairman the CPP Central Committee's Control Commission; General Sin Song, interior minister; Mr. Sim Ka, chairman of the Phnom Penh party committee and chairman of Phnom Penh City's people committee; Senior Lieutenant General Pol Saroeun, deputy defense minister and chief of the CPAF General Staff; Senior Lieutenant General Ke Kimyan, first deputy defense minister; and other members of the CPP Central Committee; ministers and their deputies; directors general and their deputies; leading cadres from various departments, offices, units, and institutions; officials, the armed forces, as well as many thousands of people and masses from Phnom Penh City.

Chea Sim Receives Businessmen From PRC 3 Dec

BK0512141491 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 5 Dec 91

[Text] On the afternoon of 3 December at the National Assembly, His Excellency Chea Sim, chairman of the Cambodian People's Party [CPP] Central Committee, National Assembly, and National Council of the Kampuchean United Front for National Construction and Defense, granted an audience to a group of businessmen from the PRC led by (Jiang Lowei), director of [name indistinct] company.

On that occasion His Excellency Chea Sim informed the guests of the efforts made by the Cambodian party, Government, and people to restore and build the country in the past nearly 13 years, thus gradually developing their social life.

His Excellency Chea Sim also clearly stressed the CPP's policy, which has expanded the free market economy and created favorable conditions for foreign companies to carry out investment in Cambodia.

Mr. (Jiang Lowei) expressed delight over the all-round development of the State of Cambodia [SOC] through the efforts of the CPP and SOC Government.

Company Set Up With Franco-British Consortium

BK0212093491 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 1 Dec 91

[Text] On 23 November at the Cambodian Oil Company a ceremony was organized to sign a protocol between the Cambodian Oil Company and the Franco-British consortium CEP, with the aim of setting up a joint company with foreign investment whose task it is to import and distribute fuel oil throughout Cambodia.

This protocol clearly states that the (?fund) will be set up by each company. The Cambodian side will provide a commercial fund, including the right to lease from a third party the necessary (?oil equipment). The foreign side will provide a fund in the form of [words indistinct] and oil distribution [words indistinct] of the joint company. The foreign side will provide 75 percent of the capital and the Cambodian side 25 percent. Once established, the joint company will be responsible for all the expenses relating to the company's operations.

Heng Samrin, Chea Sim Send Thanks to Do Muoi

BK0212062891 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 29 Dec 91

[Text] His Excellency [H.E.] Heng Samrin, honorary chairman of the Cambodian People's Party [CPP] Central Committee; and H.E. Chea Sim, chairman of the CPP Central Committee, recently sent a message to H.E. Do Muoi, general secretary of the Communist Party of Vietnam Central Committee. The message says in essence:

We would like to sincerely thank you for your best and warmest wishes on our appointment as honorary chairman and chairman of the CPP Central Committee. May the traditional solidarity and friendship and close cooperation between Cambodia and Vietnam become firmer and develop for the benefit of the people of the two countries.

May you enjoy good health, happiness, and new successes in your noble task.

Airline Starts Phnom Penh-Bangkok Route 3 Dec

BK0512055391 Phnom Penh SPK in English 0442 GMT 5 Dec 91

[Text] Phnom Penh SPK December 5—Phnom Penh Airways started on December 3 its maiden flight between Phnom Penh and Bangkok.

This air service is offered every Tuesday from December 3, 1991 on F28/MK1000 jet plane with 60 seats.

Phnom Penh Airways, which is a subsidiary of Chrun Enterprises (HK) Ltd, began in June 1991 a weekly flight between Phnom Penh and Singapore every Tuesday.

Hor Namhong Meets Japanese Special Envoy 25 Nov

BK0112081291 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 1 Dec 91

[Text] On the afternoon of 25 November at the Cambodiana Hotel, Hor Namhong, foreign minister of the State of Cambodia, held cordial talks with Keizo Obuchi, a Japanese special envoy, who paid a courtesy visit to him.

Hor Namhong thanked Japan for its support and assistance in promoting peace in Cambodia after all Cambodian parties had signed an accord in Paris on 23 October. The minister stressed that Samdech Norodom Sihanouk's presence in the State of Cambodia is of vital importance for national reunification, restoration of genuine security and peace to the Cambodian people, and reconstruction and development of Cambodia toward prosperity.

Leaders Send Greetings to Albanian Counterparts

BK2711143991 Phnom Penh SPK in French 1112 GMT 27 Nov 91

[Text] Phnom Penh 27 Nov (SPK)—On the 47th national day of the Republic of Albania, Cambodian leaders conveyed warm greetings to Ramiz Alia and Ylli Bufi, respectively president and prime minister of the Republic of Albania.

The message—signed by Heng Samrin, chairman of the Council of State, and Hun Sen, chairman of the Council of Ministers of the State of Cambodia—reads:

"I am firmly convinced that the relations of friendship between our two countries will further develop in the interests of our two peoples and peace."

On the same occasion, Foreign Minister Hor Namhong sent a message of greetings to his Albanian counterpart as well.

Government Cancels Human Rights Discussion

BK0312063591 Hong Kong AFP in English 1304 GMT 2 Dec 91

[Text] Phnom Penh, Dec 2 (AFP)—The Phnom Penh government Monday cancelled a discussion of human rights in Cambodia because it might interfere with the Supreme National Council (SNC) meeting in Thailand, one of its organizers said.

"I feel very upset because mostly I want to talk about human rights in Cambodia," said actor Haing Nor, who played one of the lead characters in the film "The Killing Fields."

Haing Nor said he and Dith Pran, the man he played in the film, were told by the Phnom Penh government to wait until after the SNC meeting in Phatthaya, Thailand, to have their conference.

They wanted to tell reporters that the Khmer Rouge leaders should be put on trial for genocide crimes, Haing Nor said.

"I don't think it would have an effect in Phatthaya," he said.

25 Army, Security Officers Promoted to General

BK2711150091 Phnom Penh SPK in English 0515 GMT 27 Nov 91

[Text] Phnom Penh SPK November 27—Twenty-five military and security officers have been promoted to the ranks of one-star and two-star generals under three separate decrees issued by the State Council of the State of Cambodia.

These 25 general officers, who won promotion under the decrees issued on October 19 this year at the Council of Ministers' proposal, include four two-star generals of the security forces, 18 one-star generals of the armed forces, and three one-star generals of the security forces.

In another decree issued on the same day by the Cambodian Council of State, four civil officials also won promotion as deputy ministers to the Cabinet office and the Foreign Affairs and Planning Ministries.

In January 1989, the State Council of the State of Cambodia (the then People's Republic of Kampuchea) promoted 20 senior Cambodian officers to the army general ranks and fixed the hierarchy of officers in the People's Armed Forces and security forces.

Seminar on Money Circulation, Tax Policy Held

BK2711150291 Phnom Penh SPK in English 0452 GMT 27 Nov 91

[Text] Phnom Penh SPK November 27—A seminar on the circulation of money and tax policy income [as received] was opened here recently under the sponsorship of the Cambodian Development Resource Institute [CDRI].

The CDRI, in cooperation with the Women Skills Society Institute [as received] of the Hague, Holland, organized the seminar to promote skills of Cambodian clerks in financing, planning and banking affairs.

An economist from the institute in the Hague, Dr. K. Jansen, gave the lectures at the seminar, which is scheduled for 12 days.

More than 20 state employees from the Ministries of Finance and Planning and the national bank are attending the seminar, according to CDRI.

The seminar is the second of its kind organized here since early this year by the CDRI.

Agreement to Help Children Signed With HOPE

BK0212081291 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 29 Dec 91

[Text] A ceremony was held to sign a cooperation agreement between the State of Cambodia's Foreign Ministry and the children's organization HOPE international on the afternoon of 28 November at the Foreign Ministry. This agreement was signed by Long Visalo, State of Cambodia's deputy foreign minister; and (Thomas Gregor), an American national representing HOPE.

The essence of this agreement highlights the goal of the State of Cambodia and HOPE in meeting the needs of orphans and abandoned children in the country. The State of Cambodia and HOPE has also agreed to make efforts to rebuild and improve orphanages, as in providing a peaceful and healthy atmosphere for children.

Indonesia

Armed Forces Chief Meets U.S. Delegation 4 Dec

BK0412132291 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 4 Dec 91

[Text] ABRI [Armed Forces of Indonesia] chief, General Try Sutrisno today in Jakarta received a courtesy visit by a U.S. congressional delegation and the U.S. military commission headed by (William Dickinson).

The visit to Indonesia by the U.S. Congressional delegation was previously planned to simultaneously take the delegation to several other Southeast Asian countries.

General Try Sutrisno took the opportunity to brief the delegation on the country's national development program up to the end of the Fifth Development Program. The development of the Armed Forces is also included as an integral part of national development.

Continuing Reportage on East Timor Situation

Commission Begins Studying Incident

BK0512094891 Jakarta ANTARA in English 0825 GMT 5 Dec 91

[Text] Dili (East Timor), Dec. 5 (OANA-ANTARA)—The National Inquiry Commission (KPN) is now embarking on a thorough study of the materials it has gathered on the November 12 Dili incident, according to commission chairman Jaelani here on Thursday.

For that, the fact-finding team set up by the government to investigate the riot in Dili, East Timor, has been split into three groups.

In this regard, Jaelani asked reporters not to tail the commission members and in exchange he said he would arrange a press conference every afternoon after commission members returned from their assignments.

He explained some of the people who were considered appropriate as information sources on the Santa Cruz incident were unwilling to have their identities and pictures made known to the public by the press.

"Therefore, I ask for the journalists' understanding (on the matter) to ensure smooth implementation of the task and to protect the lives of these people," he told around 20 reporters covering the activities of the commission here everyday.

The chairman of the local legislative assembly, Manuel Carrascalao, after following a meeting here Wednesday between members of the provincial chapter of the ruling Golkar [Functional Group] political organization with Australian Ambassador to Indonesia Phillip Flood, said there were around 30 people who had put East Timor integration into Indonesia in the wrong.

The names of these persons, who, according to the younger brother of the East Timor governor, are not unfamiliar to the people here, were submitted to the commission on Tuesday.

Manuel Carrascalao expressed regret that no strict measures had ever been imposed on these people who had strong influence among certain groups of people and the younger generation.

"I have evidence showing their involvement in the incidents on October 28 and November 12 last," he said.

In an interview with ANTARA, the Balide Parish priest, Rev. Eduard de Britto, said he was of the view that general problems such as poverty and an employment shortage should immediately be overcome in order to reduce upheavals.

Investigative Chief Visits Wounded

BK0412154491 Jakarta Radio Republik Indonesia Network in Indonesian 1500 GMT 4 Dec 91

[Text] Jaelani, Chief of the National Investigative Commission, clarified that up until now there are still numerous victims of the 12 November incident receiving treatment at the Wirahusada Hospital in Dili, East Timor.

Speaking after visiting the patients this afternoon, Jaelani said the wounded patients are still receiving treatment and are unable to meet their family members. Those victims who are currently hospitalized are those suffering from either gunshot wounds or severe injuries.

Earlier, the National Investigative Commission members visited the regional police station and observed the detainees who participated in the demonstrations that resulted in bloodshed.

East Timor Police Chief (Ishak Kodiak) clarified that cases against the detainees are being processed and would be forwarded to the Justice Department. They will face criminal charges.

UN Envoy Visit Causes Confusion

BK0512095091 Jakarta ANTARA in English 0915 GMT 5 Dec 91

[Excerpt] Jakarta, Dec 5 (OANA-ANTARA)—Indonesia has never been officially contacted by the UN secretary general concerning plans for a visit by his envoy to deal with the November 12 incident in Dili, East Timor, therefore "to our knowledge no UN envoy has been visiting Indonesia," ad interim Foreign Minister L.B. Murdani said.

"As already stated by Foreign Minister Ali Alatas in Caracas, Venezuela a few days ago, we had never been officially contacted, and therefore for the time being we consider no UN envoy has been here," he said on reporters' questions at the Foreign Ministry on Thursday.

"Even if an 'envoy' was actually here, we would not treat him as someone visiting the country with rights to ask questions about East Timor," he said after presenting a humanitarian aid of 50,000 U.S. dollars for natural disaster victims in the Philippines.

Commenting on news reports that the government permitted the envoy's visit, Murdani curtly replied: "We had never given any permit to anyone."

The UN Information Center here on Tuesday announced that UN Deputy Secretary General for Human Rights Affairs Jan Marterson had contacted the Indonesian Government on the dispatch of the UN secretary general's envoy.

The envoy, S. Amos Wako, a Kenyan and rapporteur of the UN Commission on Human Rights, was reportedly scheduled to come to Jakarta last Monday.

Till Thursday afternoon the UN Information Center still could not confirm the presence of Wako in the capital.

Meanwhile, chief of the Indonesian Armed Forces (ABRI) Gen. Try Sutrisno, after delivering a speech at a seminar on law at the University of Indonesia in Depok south of here, said that "[the] East Timor issue is Indonesia's domestic affair. No foreign parties should interfere in it."

About the planned visit of Amos Wako, he said, "until Wednesday, I had not been informed about it." [passage omitted]

Dailies See No Need for UN Probe

BK0512091791 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 5 Dec 91

[From the press review]

[Text] POS KOTA says that it is unnecessary for the United Nations to send a mission to investigate the incident that took place in Dili on 12 November because the matter is Indonesia's internal affairs. The daily regrets negative reactions to the Dili incident and does not regard these reactions simply as diplomatic formalities but also an act of interference in Indonesia's internal affairs.

Meanwhile, KOMPAS says that Indonesia is facing several realities, including the situation in East Timor itself regardless of the outcome of a probe by the National Investigation Commission on the Dili incident. It is feared that the (?current) situation will undermine the psyche of integration [official term to refer to the incorporation of East Timor into Indonesia] in the future. Thus, other departments should focus greater attention on social development in East Timor through a more effective coordination. Moreover, it would not be adequate to conduct development solely through territorial operations.

ANGKATAN BERSENJATA stresses the need for an overseas information offensive to counter reports by a number of foreign media on the Dili incident. The daily says that the outcome of a probe being conducted by the National Investigation Commission will serve as a highly credible source to counter various international gossip on the Dili incident.

SUARA KARYA sees the need for the National Investigation Commission to gather comprehensive and objective facts to allow the UN secretary general to similarly obtain a comprehensive and objective picture of the incident.

In the meantime, BERITA YUDHA reiterates that Indonesia's determination to comprehensively investigate the Dili incident was evident in the establishment of a national investigation commission. According to BERITA YUDHA, the intention of other parties to conduct their own investigations is totally unacceptable because this does not respect the Indonesian people's sovereignty.

Call for 'Special' Status Rejected

BK0412113391 Hong Kong AFP in English 1109 GMT 4 Dec 91

[Text] Jakarta, Dec 4 (AFP)—Indonesian Home Affairs Minister Rudini has rejected calls to give East Timor a "special" status like Aceh in northern Sumatra and Yogyakarta in Java, newspapers reported Wednesday.

Rudini said that East Timor, where the shooting of civilians by Indonesian troops last month in the capital Dili caused an international outcry, would not gain any advantage from a special status.

"I can change the name now, but what good will it do?" he asked.

Officials said the "special" status of Aceh and Yogyakarta was only symbolic and all 27 provincial governors, including East Timor's Mario Viegas Carrascalao, come under the Home Affairs Ministry.

Rudini said that instead of creating a special administrative status for East Timor "it is better to create more profitable rules."

"East Timor export commodities could be shipped directly from Dili instead of from Surabaya (East Java). So the profit goes to East Timor," he was quoted as saying in the KOMPAS daily.

This comment toes the official line that economic woes and high unemployment are behind East Timor's unrest since it was annexed by Indonesia in 1976.

Rudini was replying to a proposal by MP [member of parliament] Marzuki Darusman of the ruling Golkar Party that the former Portuguese colony should be given a special status.

Darusman did not elaborate, only making a comparison with Aceh and Yogyakarta.

According to diplomatic sources here some countries including Australia want Indonesia to create a special status for East Timor which does not jeopardise its incorporation into Indonesia.

No foreign power has defined special status. But Australian Prime Minister Bob Hawke has talked of a "cultural" identity for East Timor.

Rudini said that despite the "special" tags for Aceh and Yogyakarta, their administration was no different from the rest of the country.

He said Aceh, where Islamic feelings and parochialism have fanned unrest for years, and Yogyakarta, the former capital, gained their "special" status because of their role in the independence struggle against the Dutch.

Meanwhile, Australian Ambassador Philip Flood told ANTARA news agency the reopening of a consulate in Dili, which was closed down in 1971, would be discussed during the official visit of Australian Foreign Minister Gareth Evans later this month.

Flood arrived in Dili on Tuesday, as a guest of Carrascalao. He is also scheduled to meet Roman Catholic Bishop Carlos Felipe Ximenes Belo and the Army commander in East Timor, Brigadier General Rudolf Warouw.

Australian Consulate Request 'Strange'

BK0512072791 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 5 Dec 91

[Excerpt] Indonesia considers strange Australia's desire to open a consulate in Dili, East Timor as a consular mission is different from a diplomatic mission. Acting Foreign Minister L.B. Murdani made the remarks replying to questions from newsmen after signing a note on humanitarian aid for the Philippines in Jakarta this morning.

[Begin Murdani recording] I consider this request strange as a consulate is different from an embasssy. An embassy conducts diplomatic activities, while a consulate is a consular mission. Thus, it would be okay for Australia to open a consulate there if it has huge trade with East Timor or if there are hundreds of Australians in East Timor. However, this is not the case. I think that Australia is just looking for a pretext. If the request is a follow-up [preceding word in English] to the Dili incident, this will amount to an interference in Indonesia's internal affairs. This is the official stand of the Government of the Republic of Indonesia. [end recording]

Minister L.B. Murdani said that he did not fully agree with a UN plan to send a special envoy to Dili, which the United Nations expects to play an important role, because Indonesia had already set up a special team unprecedented in the Indonesian nation's history. The team is authoritative enough to investigate what happened in Dili. [passage omitted]

Timor Resistance Leaders Comment on Situation

Fretilin Contacts Generals

AU0412141191 Paris AFP in English 1227 GMT 4 Dec 91

[Text] Lisbon, Dec 4 (AFP)—The East Timor resistance movement Fretilin has made contact with Indonesian generals who oppose their country's annexation of East Timor, Fretilin leader Abilio Araujo told the Portuguese news agency LUSA here. Araujo refused to cite any names "for security reasons," but said the contacts had been made for some time "at a high level" within the Indonesian state system.

He also said that since the Army shooting of civilians in the capital Dili on November 12, he had met with "Indonesian civilian figures very close" to senior ranking military groups who contest Jakarta's action in the former Portuguese colony.

According to the official version of the Dili shooting, Indonesian soldiers acting in self defense killed 19 people and wounded 91 others when they fired on a crowd on November 12. But witnesses say the troops opened fire without provocation on unarmed civilians, leaving between 72 and 115 dead.

The leader of Fretilin, the East Timor National Liberation Front, said a conference on East Timor would be held in Lisbon early next year with representatives from the Indonesian liberal opposition, from East Timor and Portugal.

The governor of East Timor, Mario Carrascalao, meanwhile, said he would submit a 300-page report with photographs on the November 12 shooting to the inquiry committee named by Jakarta, LUSA reported.

Emotion is still running high in Portugal over the shooting, and President Mario Soares on Tuesday sent a letter to the new U.N. secretary general, Butrus Ghali, to draw his attention to the "dramatic situation" in East Timor, the agency said.

Numerous events, including a rock concert and a demonstration, are planned here on Saturday to mark the 16th anniversy of Indonesia's annexation of East Timor. It was annexed by Indonesia in 1976, though the United Nations has not recognized this and considers Portugal the nominal ruler.

Leader Criticizes Foreign Reactions

LD0412224291 Lisbon RDP Internacional in Portuguese 1019 GMT 4 Dec 91

[Interview with Joao Carrascalao, Timorese resistance leader, by unidentified announcer; place not given—live or recorded]

[Excerpts] [Announcer] [passage omitted] We are broadcasting to Timor, so would you like to make a more personal commentary on your meeting yesterday with the Australian prime minister?

[Carrascalao] I headed a five-strong delegation, including Domingos Oliveira, Democratic Union of Timor secretary general; Ramos Horta; and two other leaders of the Revolutionary Front of Independent Eastern Timor. I would like to say I was totally disappointed with Australia's stand on East Timor. The prime minister expressed his concern over the massacre, over the human rights violations, over the crimes against our people; however, when it comes to the crunch, they refuse to withdraw their recognition of Timor's integration into Indonesia. In fact, they say they are waiting for the conclusions of the commission of inquiry appointed by President Suharto. This leads us to think that Australia is deliberately collaborating with the criminals. [passage omitted]

[Announcer] The Portuguese ambassador to the United Nations gave a short interview to RDP yesterday, where the U.S. stand was apparent. The United States knows of the massacre—public actions denouncing it clearly occurred—but says that Indonesia could not be isolated from the rest of the world at this time. The U.S. policy involves not isolating Indonesia. [passage omitted] How do you feel about this?

[Carrascalao] This does not come as a surprise. It is not necessary to isolate Indonesia; it is enough to make it understand that is has violated all the principles of the UN Charter. This violation had the U.S. stamp of approval. I was in Jakarta on 7 December and on 5 December 1975, when President Ford and Henry Kissinger arrived, and that very night I was told they gave the green light for the invasion of Timor. I am not at all surprised that the United States roots for Indonesia and feels Indonesia should not be isolated. [passage omitted]

[Announcer] We were informed that East Timor and Macao will now feature in the list of territories recognized by the EC as dependent or having special relations with member states, in this case with Portugal. This was announced by the Portuguese foreign minister in Brussels yesterday. Is this decision overdue?

[Carrascalao] It is many years overdue, but in any case it is a positive attitude, and we welcome it with open arms. [passage omitted]

[Announcer] You are the brother of East Timor Governor Mario Carrascalao. We have been experiencing difficulties in contacting him. [passage omitted] Have you been in touch with him?

[Carrascalao] It is probably easier for you to contact him than me, but as it so happens I did talk to him last week, and I know he was preparing a detailed report to hand to the commission of inquiry, not just written documents but audio-visual documentation. He demands that this documentation be made public and reaffirms he will resign as governor if he does not consider the results of the inquiry satisfactory. We heard today, via our clandestine network, that he was once more threatened, yesterday, by the Indonesian military. His life is in danger. He has been carrying out the role of governor as a mission to defend the people of Timor. He has been working incessantly, and he sent numerous messages to the outside world which were never understood properly. When he voiced objections to the visit by Portuguese parliamentarians, he gave his reasons: He said he feared a civil war. We understood that in saying this he wanted us to be aware that there were major anti-Indonesia forces in Timor capable of challenging the military. I believe this was never Portugal's interpretation, and he is now in a very difficult position. However, as he himself says: Principles are principles, and you can only die once. [passage omitted]

President Suharto's Foreign Activities Reported

Views Economic Ties With Zimbabwe

BK0512055791 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 5 Dec 91

[Text] Indonesia and Zimbabwe have agreed to enhance economic cooperation and to immediately formulate several early steps for this cooperation. The decision to enhance bilateral economic cooperation was made during talks between President Suharto and Zimbabwean President Robert Mugabe in Harare yesterday afternoon. Minister and State Secretary Murdiono told newsmen at the Sheraton Hotel in Harare yesterday that the two leaders exchanged views on development programs in each other's country during their talks. The two heads of state believed that a developing country should not necessarily leap forward to industrialization but should instead build a strong agricultural sector first in its development plan. Experiences of many countries have indicated that a direct leap to industrialization has created several problems.

Minister Murdiono added that efforts to enhance economic cooperation, particularly Indonesian-Zimbabwean trade are hampered by the transportation of their export goods because Zimbabwe has no seaports.

Receives Al-Qadhdhafi Message

LD0412231291 Tripoli Great Jamahiriyah Radio Network in Arabic 1230 GMT 4 Dec 91

[Text] The brother secretary of the General People's Congress, who is the personal envoy of the brother leader of the revolution [Mu'ammar al-Qadhdhafi], handed the Indonesian vice president a message from the brother leader for Indonesian President Suharto. The message was handed over during a meeting between the brother secretary of the General People's Congress and the Indonesian vice president in the Indonesian capital of Jakarta this morning.

The brother secretary of the General People's Congress and his delegation arrived in Indonesia last night.

Meets Indian, Malaysian Officials

BK2811054491 Jakarta ANTARA in English 0521 GMT 28 Nov 91

[Text] Caracas, Venezuela, Nov 28 (OANA-ANTARA)—The non-aligned summit scheduled to be held in Jakarta next year was discussed by President Suharto at his meeting with Indian Prime Minister Narashima Rao here on Wednesday noon local time.

After the meeting, Minister/State Secretary Murdiono told newsmen that both heads of government shared the view that the Nonaligned Movement (NAM) was at present still relevant, because the birth of the NAM at the time of the Cold War was to prevent the eventual outbreak of war.

Apart from the prevention of wars, the objective of the NAM was also to raise the welfare of the peoples of the developing countries.

Therefore, although the Cold War was now a thing of the past, the movement remained to be relevant, Minister/State Secretary Murdiono said.

President Suharto on Wednesday also received Malaysian Prime Minister Mahathir Mohamed to discuss the same problem, the forthcoming NAM summit.

Leaves Caracas for Canary Islands

BK3011101291 Jakarta ANTARA in English 0825 GMT 30 Nov 91

[Text] Caracas, Nov 30 (ANTARA)—President Suharto is scheduled to leave here on Saturday morning local time for Las Palmas on Canary Islands in the Atlantic after paying a three-day state visit to Venezuela and attending the second summit consultations of the group of 15 developing nations (G-15) in this Venezuelan capital.

The Garuda's DC-10 jetliner, flying the head of state and party, is scheduled to depart at 09:00 AM local time or 08:00 PM Western Indonesia standard time on Saturday.

President Suharto and party will stay overnight on the Spanish resort islands before continuing their trip on Sunday evening local time to Harare for a four-day state visit to Zimbabwe.

From Zimbabwe, President Suharto and entourage will proceed to Tanzania and Senegal, where the head of state will lead Indonesian delegation to the summit meeting of the Organization of Islamic Conference in Dakar.

The president and party left Jakarta on November 19 and are expected home on December 14.

Laos

Nearly 200 More Refugees Return Home From PRC

BK3011115891 Vientiane KPL in English 0930 GMT 30 Nov 91

[Text] Vientiane, Nov 30 (KPL)—48 Lao refugee families, 196 people living in southern China were repatriated on November 27.

Their repatriation was arranged by the Chinese Civil Department and through a Lao-Chinese border checkpoint between Namtha District of Lao Luang Namtha Province and La District of Chinese Yunnan Province.

This was the second batch of Lao refugees returning home from China. Of the total 3,409 Lao refugees in southern China, already 299 people have voluntarily returned home so far. The rest will also return batch after batch.

President Sends Greetings to Romanian President

BK0112055491 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 30 Nov 91

[30 November greetings message from Kaysone Phomvihan, president of the Lao People's Democratic Republic, to Ion Iliescu, president of Romania on Romania's national day]

[Text] Your excellency, on the occasion of the 73d anniversary of Romania's national day, on behalf of the Lao people and in my own name, I would like to convey greetings and best wishes to your excellency and, through your excellency, to all Romanian people. I am convinced that the relations and cooperation between the two countries and two peoples of Laos and Romania will be increasingly developed for the benefits of the peoples of the two countries and in the interest of peace, stability, and social progress.

I wish your excellency good health.

Economic Cooperation Accord Signed With Germany

BK3011115291 Vientiane KPL in English 0925 GMT 30 Nov 91

[Text] Vientiane, Nov 30 (KPL)—The Lao People's Democratic Republic and the Federal Republic of Germany have agreed to cooperate in economic sector.

The agreement on the cooperation was signed here yesterday between Mr. Thongphachan Sonasin, head of the office of the Ministry of External Economic Relations, and the visiting director from the German Ministry of External Economic Relations.

The Government of the FRG has agreed to provide cooperation in finance from 1991 onward and assistance in various projects worth 10 million German currency marks. The projects include provision of potable water in Luang Prabang, forest rehabilitation in Vangviang, in addition to technical assistance amounting to 12 million marks for the Dongdok Forestry School and the training course in financial and small industry management.

In the near future, the Government of the FRG will also support the project for road Number 7 rehabilitation.

Leaders Attend Hmong New Year Rally 1 Dec

BK0212034091 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 2 Dec 91

[Text] The Lao Front for National Construction Central [LFNC] Committee yesterday organized a grand celebration of the fraternal Hmong tribe's traditional new year festival and the 16th national day in Vientiane. A large number of Hmong cadres and state employees from the military, police units and agencies as well as Hmong people from different places in the Vientiane Municipality participated in the event.

Attending the celebration as guests of honor were Kaysone Phomvihan, president of the republic; Phoumi Vongvichit, advisor to the party Central Committee Political Bureau; Maisouk Saisompheng, chairman of the LFNC Central Committee; Vongphet Saikeuyachongtoua, vice chairman of the LFNC Central Committee; Chaleun Yiapaoheu, member of the Supreme People's Assembly standing committee; Mrs. Pani Yathotou, head of the State Bank; and several distinguished persons.

Sam Neua District Said To Face Rice Shortage

BK0512130891 Vientiane KPL in English 0934 GMT 5 Dec 91

[Text] Vientiane, Dec 5 (KPL)—Monsoon rice production in Sam Neua District of Houa Phan Province this year reached only over 7,300 tons, accounting for 268 kgs per head.

The local people, therefore, are expected to be short of rice for about a month.

This year the district has 3,000 hectare [ha] production area, 1,600 ha of which are wet rice area yielding 3.5 tons per ha, and 1,700 ha are upland rice area yielding 1.5 tons per ha.

Philippines

Government Ignores Allegations of Snub by Bush

HK0412063991 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0400 GMT 4 Dec 91

[Text] Malacanang has ignored allegations that U.S. President George Bush snubbed the Philippines. This talk occurred when Bush did not include the Philippines in his Asia-Pacific tour. According to critics, this was also due to the rejection of a new bases treaty by the Senate. Nonetheless, Executive Secretary Franklin Drilon stressed that the Philippines was not originally included in Bush's itenerary.

Deployment of Japanese Troops Overseas Opposed

HK0512055591 Manila PHILIPPINE DAILY INQUIRER in English 5 Dec 91 p 11

[Text] Sen. Wigberto Tanada yesterday opposed a plan to deploy Japanese troops as part of UN peacekeeping missions, saying this would violate the neutrality of Southeast Asia.

Tanada said in a proposed sense-of-the-Senate resolution that a bill in Japan's Parliament to allow the deployment "runs counter to the efforts of the ASEAN peoples to transform the Asia-Pacific region into a zone of peace, freedom and neutrality."

Tanada, also an opponent of the U.S. military bases in the Philippines, said the troop plan could violate the Japanese constitutional provision renouncing the use of force to settle international disputes.

Spratly Islands Development Spurs Disputes

HK0412134191 Manila Manila Broadcasting Company DZRH in Tagalog 1100 GMT 4 Dec 91

[By Rey Arquiza of DZRH Unit 21]

[Text] Disputes between countries claiming the Spratly Islands may intensify in the midst of ongoing individual development of the islands by some countries.

According to a Department of Foreign Affairs official, Malaysia is building hotels in the Spratley Islands while the PRC is building [words indistinct] offices. The five countries claiming the Spratly Islands are the Philippines, Malaysia, the PRC, Taiwan, and Vietnam. Although these countries have reached an agreement to avoid instigating claim disputes, a number of them have already gone ahead to develop the islands and this is becoming a big hindrance to a peaceful settlement.

According to George Coquia of the Foreign Affairs Department, the government will have to do something about this development inasmuch as the Philippines can never agree to the suggestion of having a north sea type condominium because it is against our Constitution to allow any part of the Philippines to be claimed by another country. In the condominium, you are practically agreeing to partial ownership of what is exclusively for Filipinos, Coquia said.

Manila Officials Report on Manglapus Burma Visit

Aung San Suu Kyi 'Healthy'

HK0512110991 Hong Kong AFP in English 1008 GMT 5 Dec 91

[Text] Manila, Dec 5 (AFP)—Burmese authorities have assured Philippine Foreign Secretary Raul Manglapus that detained Nobel Peace Prize winner Aung San Suu Kyi was "well-taken care of" and healthy, the Foreign Department here said Thursday.

Manglapus arrived in Burma on Monday, and met with top officials of Burma's State Law and Order Restoration Council (SLORC), including the military junta's vice chairman, General Than Shwe.

He is expected to meet military intelligence chief Major General Khin Nyunt, believed to be the real power in the military junta.

A statement by the Philippine foreign department said "the case of Aung San Suu Kyi was also touched by officials who briefed Manglapus on her present circumstances."

"The SLORC authorities assured Manglapus that she is well taken care of and that she is healthy," the statement added.

Aung San Suu Kyi has been under house arrest since 1989 after leading the opposition, which won by landslide in parliamentary elections in 1989.

Aides have said Manglapus had asked to see Aung San Suu Kyi.

A member of the Philippine party who accompanied Manglapus, Congressman Bonifacio Gillego, also discussed the issue of insurgency in the Philippines with Burmese officials.

ASEAN Not To Press on Human Rights

HK0512055791 Manila PHILIPPINES NEWSDAY in English 4 Dec 91 p 3

[By Arthur I. Bariuad]

[Text] Foreign Secretary Raul Manglapus yesterday assured key Myanmar [Burma] officials that the six-member Association of Southeast Asian Nations (ASEAN) would not take a confrontational stance against Yangon's [Rangoon] military regime despite the West's growing concern over its alleged human rights abuses.

Manglapus, who is in Myanmar for a three-day official visit, told Myanmar officials: "I came as a neighbor and I consider our relations as family affairs."

Diplomatic officials here said Manglapus's declaration could be a tactic so as not to "disappoint" his hosts who are still harboring suspicion that he went there as a "messenger of the United States and the Western powers."

However, sources said, Manglapus's statement did not mean that he would not raise the issues human rights violations and political repression committed by the military regime against its political opponents, but was only a signal that he was not there to "pressure" Myanmar upon the orchestration of the Western powers.

Manglapus told diplomatic reporters Friday that the two issues "could still be discussed" against the backdrop of the "regional and international situation."

Based on the schedule of discussions released by the Foreign Office on Monday, Manglapus will hold separate meetings with Myanmar's chief justice, attorney general and officials of the Election Commission, Diplomatic sources earlier said Manglapus would raise the two issues upon meeting these officials.

Manglapus, who is the current chairman of the ASEAN standing committee, told his counterpart, Foreign Minister Ohn Gyaw, that the ASEAN would not and "has not adopted the Western attitude towards Myanmar," referring to the "grave concerns" of the United States and other Western countries over Yangon's "disastrous" human rights record.

Before Manglapus's departure for Yangon Monday, the United Nations approved a "consensus resolution" which expressed its "concern at the information on the grave human rights situation" in Myanmar. The resolution also urged the military regime to "allow all citizens to participate in the political process."

According to Manglapus, the ASEAN, while concerned with the democratization of Myanmar as already expressed by their now officials, wanted to see it as an "active and aggressive" participant in regional affairs.

Manglapus Comments on Boat People's Repatriation

HK3011081291 Manila DZXL Radio Mindanao Network in Tagalog 0700 GMT 30 Nov 91

[Text] The government will help the boat people, most of whom are Vietnamese and Indo-Chinese, to return to their countries. After signing a memorandum of understanding, Foreign Affairs Secretary Raul Manglapus outrightly said the Philippines has a responsibility to help the asylum seekers return to their countries. He said what was agreed with Vietnam yesterday was only a part of a comprehensive plan of action formed in Geneva in 1989. The boat people living in Puerto Princesa, Palawan, are to be returned on a priority basis, while 155 Vietnamese people have already returned to Vietnam under the High Commissioner for Refugees-initiated program.

10-Man Team To Attend Dakar Islamic Meeting

HK0412052391 Manila PHILIPPINES NEWSDAY in English 4 Dec 91 p 3

[By Arthur I. Bariuad]

[Text] The Philippine government is sending a 10-man diplomatic delegation to Senegal for the forthcoming summit of Islamic states to stall possible moves from the secessionist-Moro National Liberation Front (MNLF) to gain full membership status in the Organization of Islamic Conference (OIC).

The ten-man delegation which will be headed by Governor Zacaria Candao of the Autonomous Region in Muslim Mindanao (ARMM) will leave Saturday for Dakar in time for the opening of the OIC summit December 9. The Summit will close Dec. 12.

Candao will be accompanied by five local officials of the ARMM—Speaker Ismael Abubakar Jr., governors Hadjiril Matba, Tupay Loong, Saidamen Pagarungan and Mayor Tucao Mastura, and four Filipino diplomats—Ambassadors Abraham Rasul, Menardo Galenzoga, Bahnarim Guinomla and Jesus Domingo.

Rasul, the country's envoy to Saudi Arabia said the mission will emphasize the Philippine government's efforts to implement the 1976 Tripoli Agreement and its sincerity to solve the decades-old Muslim problem in Mindanao.

While the Philippine delegation is not expected to take part in formal OIC deliberations, its presence there will give a big boost to be ongoing efforts of the Philippines to grant genuine autonomy to Muslim areas which opted to be part of the autonomous government.

Diplomatic sources said the move to send a delegation was prompted by reports that Libyan Mu'ammar al-Qadhdhafi had thrown his full support behind the MNLF membership bid following the "disappointment" of a recent OIC peace mission which visited the country last month to look into implementation of the OIC-brokered 1976 Tripoli Agreement which calls for the granting of autonomy rule to 13 provinces in Mindanao.

The OIC peace mission headed by deputy secretary general Ibrahim Saleh Bakr said the Philippine government's implementation of the Tripoli accord fell short of the mandate of the agreement. But Bakr categorically said the OIC would not support secession.

The 46-nation Pan-Islamic body is expected to discuss the "question of Muslims in Southern Philippines," which was already included in its 29-point Provisional agenda. Reports reaching Manila said the Muslim question in the Philippines was number 16 in the agenda.

Rasul downplayed the report that Libya gave its support to the MNLF, saying the "membership bid of the MNLF has to pass the procedural requirement of the quadripartite commission," composed of Senegal, Saudi Arabia, Somalia and Libya, which has the sole authority to determine the validity of the MNLF bid. The MNLF currently enjoys observer status in the Pan-Islamic body.

Rasul pointed out that Senegal has already gave its assurance it will explore friendly ties with the Philippines, which means that it would not support the MNLF bid.

Aside from Senegal, Saudi Arabia is also supportive of RP's [Republic of the Philippines'] efforts to implement the mandate of the Tripoli Agreement.

Police To Monitor Election Laws Closely

HK0512060491 Manila MANILA BULLETIN in English 5 Dec 91 pp 1, 26

[By Roy C. Sinfuego]

[Text] Director General Cesar P. Nazarenu of the Philippine National Police (PNP) directed regional directors nationwide yesterday to "confront" individuals maintaining private armies and to strictly implement existing election laws "without compromise" in connection with the forthcoming elections in 1992.

Meanwhile, national security adviser Rafael Ileto announced an AFP [Armed Forces of the Philippines] ceasefire on operations against military and NPA [New People's Army] rebels on Christmas Day, Dec. 25, and New Year's Day, Dec. 1.

Nazareno also said during the top-level PNP command conference held at the Multi-Purpose bldg. in Camp Crame, Quezon City, that the crime rate this year has gone down.

The PNP chief told field commanders to closely monitor the activities of identified armed groups in their respective areas to preempt any possible outbreak of violence and terrorism in the coming polls.

Nazareno noted that this year, the nationwide crime rate has decreased to 14.83 percent compared to last year's 22.35 percent.

Chief Supt. [Superintendent] Pedro Sistoza, PNP director for intelligence, attributed the crime decline to the growing awareness of the civilian populace and the relentless police efforts against all forms of criminal activities.

Communist Rebels Require 'Passes' for Campaigners

HK0512064191 Manila PHILIPPINE DAILY INQUIRER in English 5 Dec 91 pp 5, 10

[By Danny O. Calleja]

[Text] Legazpi City—Only politicians with special passes will be allowed to campaign inside guerilla zones, a Bicol communist leader announced this week.

The "permit to campaign" passes will, however, be issued only to candidates who abide by the criteria set by the National Democratic Front [NDF], said Celso Minguez, chief of the Bicol Regional Party Committee.

Politicians involved in corruption, illegal gambling, abuse of power, immorality and similar offenses need not apply for the pass because they will be turned down, Minguez added during a press conference.

Also disqualified from holding the pass are candidates supporting of the government's anti-insurgency campaign and those involed in the Special Operations Team program of the military.

Minguez, who replaced Sotero Llamas alias Ka [Comrade] Nognog as the New People's Army [NPA] regional commander, said the NDF will also check on the candidate's use of "money, goons and guns."

Charlie de Luna, head of the NDF-Bicol, said the campaign pass attested to the territorial clout of the "revolutionary movement."

"We wield control over the countryside or 30 percent of the Philippine territory," De Luna said.

The pass will also screen out military agents from the communist strongholds," De Luna said, adding that candidates who use military men in their campaign or cheat during next year's election will be "punished to the fullest degree."

The NPA is determined to protect the integrity of the vote and prevent politicians from using the polls for their selfish ends, De Luna said.

Rebel Soldiers 'Receptive' to Government Talks

HK0512064491 Manila PHILIPPINES NEWSDAY in English 5 Dec 91 p 3

[By Dario B. Agnote]

[Text] Mutinous officers yesterday said they remained receptive to the government's peace overtime for the resumption of the talks but expressed pessimism that the talks would prosper at all due to the limited time frame.

"We are still open to the talks," detained Army Major Abraham Purugganan told journalists at Fort Bonifacio yesterday. Purugganan, the alleged leader of the radical Young Officers Union (YOU), added that "we never slammed the door" of reconciliation on them.

To the renegade officers, the fresh move of the government for a possible resumption of peace talks was an effort "to hold us (the Rebolusyonaryong Alyansang Makabansa [RAM—Revolutionary Nationalist Alliance] Kawal ng Sambayanang Pilipino (YOU) in abeyance" until the May 1992 elections.

"Maybe the government still recognizes that the RAM-KSP [Soldiers of the Filipino People]-YOU is still a force to contend with," Purugganan said.

The government through acting Justice Secretary Silvestre Bello III sent new feelers to senior rebel officers for a possible resumption of the talks amidst the ongoing manhunt operations to bag coup leaders Gregorio "Gringo" Honasan and his 10 comrades who defied the government set November 23 deadline for them to return to military control.

Another ranking member of the eight-man RAM secretarial said Bello's move was the government's way of "holding us in the neck to prevent us from creating trouble during the elections. "The source added, however, that the RAM-KSP-YOU would remain vigilant on the election days next year to prevent rigging. Echoing Honasan's statement, the source said: "We have to do what has to be done."

In a related development, the scheduled arraignment of coup leader Eduardo "Red" Kapunan, who voluntarily surrendered to the miltiary more than a month ago, and 50 other renegade officers implicated in the aborted December 1989 coup was postponed for the third time yesterday and was reset for January 15.

Of the 50 coup leaders, only some 40 showed up at the tightly-guarded Armed Forces Custodial Force (AFPCF) inside Fort Bonifacio where the arraignment was supposed to be conducted.

Kapunan was conspicuously absent. Some of those who did not show up told NEWSDAY they were not informed at all about the scheduled proceedings. It could not be explained why Kapunan, who is also in military custody, failed to show up.

Defense Lawyer Homobono Adaza said they could not proceed with the arraignment because not all of the accused were present. "All of the accused should be present because of the element of conspiracy in the charge sheet. That's why we have to postpone the arraignment," Adaza said.

He said he was told by the military lawyers that some of the accused failed to show up because there were no vehicles and security men available to take them to AFPCF.

Kapunan and his co-accused officers are facing mutiny charges before AFP [Armed Forces of the Philippines] General Court Martial No. 10, presided over by Armed Forces Commodore Jorge Lagera.

Three Killed During NPA Attack in Cagayan

HK0512070091 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 5 Dec 91

[Text] Three members of the Citizen Armed Forces Geographic Unit [CAFGU] were slain during an attack by the New People's Army [NPA] in Cagayan. The fatalities were Merlito Paulo, Tolino Duran, and Solomon Balaan.

According to the report received by the Philippine National Police headquarters in Camp Crame, 70 NPA men attacked the headquarters of the CAFGU in Barangay Catarata, Alacanan, Cagayan. The NPA group was led by Comrade Joy and Comrade Martin.

The fighting lasted for five hours. The NPA retreated to the Cagayan mountains with their fatalities and casualties when the reinforcement team from the military arrived. The government troops were able to seize two M-16 rifles, two M-14 rifles, and one garan rifle.

Military Sends Reinforcements to Bondoc Peninsula

HK0412032891 Manila MANILA BULLETIN in English 4 Dec 91 p HC-14

[By Jen L. Jorvina]

[Text] Calauag, Quezon—A Philippine Army (PA) brigade commander sent more troops to Bondoc Peninsula, this province to conduct counter offensive military operations after New People's Army (NPA) rebels killed nine soldiers in an ambush at Barangay San Miguel Dao, Lopez, Quezon last week.

On orders of Brig. Gen. Cesar F. Fortuno, 2nd Infantry Division (ID) commanding general, Col. Alfonso P. Cagurangan Jr., 203rd Infantary Brigade commander, said here that more troops have been dispatched at Bondoc Peninsula to augment the 42nd and 31st Infantry Battalions (IB) in their counter offensive operations against the NPAs who ambushed Army soldiers last week.

He said that troops from 74th IB from Laguna and 22nd IB from Camarines Norte were dispatched to strategic locations as blocking forces against the withdrawing forces of NPA rebels believed to be headed by Gregorio Rosal alias Ka [Commander] Roger.

Cagurangan said that the Army soldiers who were killed in an ambush were all heroes and defended Camp Aguinaldo during the 1989 December coup attempts.

Soldiers who were taken at Lopez funeral parlor were identified as 2nd Lt. Warlito T. Jallasco, Sgts. Larcen L. Yacas, Rudy T. Tedera, Ferdinand Andres, and Kennedy Barreto, Cpls. Sozimo D. Atienza, Ernesto E. Escanlar, Carlos G. Egipto, and Rodolfo O. Magbanang, all detailed at Charlie Company of 42nd IB stationed at Barangay San Miguel Dao. Wounded soldiers were taken at AFP [Armed Forces of the Philippines] Medical Center in Quezon City for further treatment.

The brigade commander said that one platoon under 1st Lt. Nelson S. Uy were conducting lectures as a non-combatant soldiers under "special operations team" (SOT) last Nov. 18-20, trying to win the hearts and minds of the residents of Barangay Malaya, Gen. Luna town. The NPA rebels, he said, ambushed them at Barangay Malaya, killing two soldiers while on its way back to their headquarters after three days SOT at the same barangay.

He said that reenforcement troops backed by Armour Personnel Carrier (APC) and Kennedy jeep led by 2nd Lt. Jallasco were also ambushed and stopped by explosion of an improvised electrically denotated landmines along the Lopez-Catanauan road.

Operation Paralyses NPA Activities in Tarlac

HK0312092191 Manila DZXL Radio Mindanao Network in Tagalog 0700 GMT 3 Dec 91

[By Joey Franklin]

[Excerpt] It is possible that the 185th Philippine National Police [PNP] Company in the eighth district of Tarlac Province has dismantled a group of the New People's Army [NPA] actively operating in the area after the capture of six of its high ranking leaders and the surrender of 49 members. Major Romeo Teofe, commanding officer, said their military offensive operation against the NPA was very successful. Documents confiscated by the military in its offensive in Mayantok, Tarlac revealed that the NPA is still expanding its activities in Capas, Concepcion, Santa Ignacia, and Bamban. The documents revealed also that they only have 35 high caliber firearms in their possession. They have also temporarily suspended operations due to Mount Pinatubo's eruption.

The documents further revealed that the movement would not be able to recruit new members because the people were too overwhelmed by work and responsibilities due to the recent calamity and the military's successive offensive operations. The documents added that the NPA activities were paralyzed even more after the capture of Arnold Arcilla, alias Commander Kelvin, head of the military department, and Depito Santos, alias Commander Momoy, intelligence and operation head. [passage omitted]

Warning of NPA Disturbance on Anniversary Noted

HK0312051791 Quezon City Radyo ng Bayan in Tagalog 0300 GMT 3 Dec 91

[Text] Philippine National Police [PNP] Capital Command Director Marino Filart has ordered all PNP district directors and sector commanders to carry out precautionary measures against any disturbance caused by the Communist Party of the Philippines-New People's Army [CPP-NPA] in relation to the forthcoming 33d anniversary of the founding of the leftist movement on 26 December.

Filart issued the directive in view of the NPA's killing of soldiers and policemen and their practice of sowing terror every time they celebrate their anniversary. Filart instructed the chiefs of Manila's police to carry out regular monitoring, foot or mobile patrols, of their surroundings to prevent any terorism by the communist rebels.

Plight of 1.5 Million Internal Refugees Cited

HK0212054091 Manila DIYARYO FILIPINO in Tagalog 2 Dec 91 p 2

[By Virgilio Avila]

[Text] The Ecumenical Movement for Justice and Peace (EMJP) reported yesterday that there now exist 1.5 million Filipinos considered as internal refugees in the country due to the militarization of areas suspected of being bulwarks of the Communist Party of the Philippines-New People's Army [CPP-NPA].

According to Raymond Lukban, coordinator of the EMJP, the statistics were taken from the data gathered by the Philippine National Red Cross (PNRC), and the Human Rights Monitoring Network Institutes of Youth (Humanity-Philippines).

The EMJP said that residents from Northern Mindanao, Cagayan Valley, Negros Island, Southern Tagalog, and Bicol region are being forced to evacuate their residences due to the bombing and operations of the military.

The number of internal refugess is expected to rise next year due to the chaos that may result from the elections and the intensification of the militarization by the new administration.

Meanwhile, Task Force Detainees of the Philippines (TFDP) criticized the continued implementation of Executive Order No. 272 that allows a 36-hour detention of suspected rebels or criminals without lawyers.

Antonio Villasor, TFDP director stressed that many kinds of abuses can happen within the hours of detention that can eventually force a detainee into admitting accusations even if he is innocent.

It is alleged that there have been 650 political detainees and 150 convicted since President Aquino took power in 1986.

He accused the Aquino administration of legalizing the unjust arrests of nationalist activists by issuing warrantless arrests from the Supreme Court.

In relation to this, the Nationalist Youth revealed that they will intensify their national democratic revolution next year in order to expedite the downfall of the government.

Senate Approves 1992 General Appropriations Bill

HK0512070191 Manila BUSINESS WORLD in English 5 Dec 91 pp 5, 6

[By Cris V. Paraso]

[Text] The Senate yesterday approved on third reading the Administration-certified 1992 General Appropriations Bill amounting to P301.4 billion [Philippine pesos], or P7 billion short of Malacanang's proposal.

The Upper Chamber upheld the Lower House's P6.6 billion in loan payments to the Bataan Nuclear Power Plant [BNPP] and an additional P400 million in programmed expenditures.

Under the Senate's version of House Bill No. 34925, new appropriations total P173.2 billion; continuing appropriations, P16.3 billion; and automatic appropriations, P111.9 billion; as compared to the Lower House's new appropriation of P173.6 billion and the same amounts for continuing and automatic outlays.

A 5% mandatory reserve for all departments and agencies was imposed for next year which will be used for the P1-billion appropriation to implement the 1992 elections, augmentations for litigation and related expenses of the Presidential Committee on the Philippine Nuclear Power Plant, additional relief and rehabilitation and related works for those affected by typhoons Trining, Uring and Warling and other calamities and the construction of the Manila Hall of Justice.

The proposed budget also provides for an automatic transfer of funds to local government units [LGU] based on the percentage share from national revenues under the Local Government Code.

This is on top of P10 billion from national government offices whose functions will be devolved to the LGUs.

The Senate provided that a portion of the supposed payments to the BNPP loan be used for relief, reconstruction and rehabilitation efforts for damages caused by natural calamities, Mt. Pinatubo's eruptions and the personnel emergency relief allowance for government employees.

In addition, it agreed to restore P100 million to the Department of Science and Technology and to allow the Commission on Human Rights to draw from its savings to augment expenditures.

The 1992 budget still has the debt service burden as the lead component having a share of 37.1%, followed by the economic sector, 21.7%; social, 21.9% general public services, 10.8%; and defense, 8.5%.

It assumes a P4.1 billion national government deficit which is 0.3% of the gross national product, while the consolidated public sector deficit is pegged at 2.6% of GNP.

The Senate's budget version will now be reconciled with the Lower House's recommendation in the conference committee.

Large Rally Supports Hunger-Striking Teachers

HK0512093091 Manila Radio Mindanao Network DZXL 0700 GMT 5 Dec 91

[By Mike Abe]

[Text] Members of various multisectoral groups who support the hunger-striking teachers are now marching from the Philippine National Press Club Building in Quezon City to Liwasang Bonifacio, Manila, where they will conduct this rally's first program in support of the dismissed teachers.

This multisectoral rally includes representatives from the church, student groups, labor, 1 May Movement, and other professional groups. All have joined to show their support for the hunger-striking teachers.

They bear streamers demanding the reinstatement of the dismissed teachers and the dismissal of Education Secretary Isidro Carino, who refuses to reinstate the dismissed teachers who are on their 18th day of hunger-striking at the National Press Club compound.

The rally participants will have a short program here, at Liwasang Bonifacio. Then they will proceed to the foot of Mendiola Bridge, where they will hold their main program, including lighting candles and torches, as part of their effort to ask the government to grant justice to the hunger-striking teachers.

There is an estimated 2,000-3,000 demonstrators participating in this rally in front of the Post Office Building at Liwasang Bonifacio, Manila.

Japanese Kickbacks to Marcoses Called 'Scam'

HK0512065991 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0400 GMT 5 Dec 91

[By Henry Umagat Diaz]

[Text] An estimated $54.8 million in kickbacks was given by several Japanese corporations to former President Marcos during his regime. The money is now said to be deposited in various banks in Switzerland and Hong Kong. During his news conference, Solicitor General Francisco Chavez said that the deposed president's cronies, Ambassador Roberto Benedicto and Andres Ilito, played an important role in this scam.

Chavez also gave a breakdown of the kickbacks that were received by the last regime.

[Begin Chavez recording in English] These documents reveal that there was a total kickback of $54,831,133.00. Itemized as follows:

a. $2,844,016.00 was deposited in Switzerland through the (Rosalyn) Foundation,
b. $4,500,000.00 was deposited in Switzerland through the (Charies) Foundation,
c. (?$4,727,136.00) was deposited in Trader Royal Bank care of Angelique Investments,
d. $241,863.00 were funneled off to (Wee Long) Bank in Hong Kong.

We have unknown depositions of $33,518,118.00. [end recording]

Chavez also added that it is impossible for the officials of the Reparations Committee, namely Gregorio Abad and Mr. Mauricio, not to be involved in the kickbacks received by the former president from the Japanese corporations. However, it is not yet known whether the government can file suits against these Japanese corporations since they do not fall under the jurisdiction of the Philippines.

According to Chavez, this evidence will be used in the forfeiture case filed by his office against the Marcoses in an effort to recover the more than $366 million deposited by the Marcoses in Switzerland.

Thailand

Prime Minister's Upcoming Japan Visit Previewed

BK0512025991 Bangkok THE NATION in English 5 Dec 91 p A8

[By Kawi Chongkitthawon]

[Text] Japan was the only one of the major powers that did not condemn the Thai military coup on Feb 23, 1991. Tokyo treated the incident as a not so unusual incident in Thai politics which would not affect Thailand's economy or Japanese investment. After some initial delay, Japan decided to release its annual yen loan to Thailand and Emperor Akihito went ahead with his historic visit to Thailand in September. Throughout this year, overall bilateral Thai-Japanese ties have remained as good as can be.

When Prime Minister Anan Panyarachun visits Tokyo this weekend, he will find a change of mood in Japan since he was last there a year earlier. Anan visited Japan in April 1990 as part of the Chatchai delegation. At that time, he was president of Federation of Thai Industries.

The new Japanese government, under Prime Minister Kiichi Miyazawa, is different from the previous Kaifu administration. For one thing, Miyazawa's government is paying more attention to the West and less to Southeast Asia. Since his appointment as prime minister last month Miyazawa has been spending most of his time focusing on Japan-US relations, and has yet to make any substantial policy statement toward Asia, especially Southeast Asia.

Since Anan will become the first Asian prime minister to meet with Miyazawa during the Dec 8-11 visit, the meeting is of significance. Like Chatchai's friendly relations with Kaifu, Anan expects to establish rapport with Miyazawa as both are veteran diplomats and fluent in English.

Anan, who used to be critical of Japan's reluctance to transfer technology and management skills to improve Thailand's industrial competitiveness, is approaching bilateral ties as a "give and take" relationship. His key message to Japan this time is simple: Japan's investment in Thailand will not only be beneficial to the host country but Japan's industry as well. His assurance is needed as overall foreign investment in Thailand has slumped during the first eight months of this year, chiefly because of the political uncertainty since the Feb 23 coup.

Japanese investment is certain to be the focus during the four-day visit. Anan will stress that Japan's cooperation and Thailand's economic readjustment are imperative in bridging the trade deficit and increasing technology transfers. Thailand's position was contained in a 50-page white-book which outlines ways and means to restructuring Thai-Japanese economic relations. The document, which has gone through a third revision, was first prepared in 1985 by the Perm government.

Thailand's trade deficit increased from Bt [Thai baht] 30 billion five years ago to over Bt100 billion last year. And a total of 51 percent of its imports of capital goods last year came from Japan.

In addition, Anan will follow up on the idea of an "economic partnership" between Japan and Thailand in reconstructing Indochina, especially Vietnam and Cambodia. When Chatchai was in power, the idea was extensively discussed but it was never carried out because of the Cambodian conflict.

Given Thailand's geographical proximity to Indochina, Anan would like to see Thailand used as a production centre in expanding trade with Indochina and other developing countries, instead of serving solely as a springboard for Japanese businesses to cash in on Indochina.

An aide to Anan said that the future of Indochina would be very much dependent on Japanese investment and technology transfer. "Thailand already has experience with Japanese technology, and Thai-Japanese cooperation will be fruitful for Indochina," he said.

Japan is hosting an international conference early next year to gather financial support for the reconstruciton and rehabilitation of Cambodia. Thai leaders have repeatedly said Thailand would like to be included in this international effort.

Economic issues aside, Anan will likely discuss security matters, including Japan's security role in the region, with Miyazawa. During this visit to Beijing in October, Anan exchanged views with Chinese leaders, including Prime Minister Li Peng, on this topic. China has some reservation on the rapid expansion of Japanese security-related activities in Asia.

Thailand is the only Asean country that has openly supported a larger political and security role for Japan in the region, especially on the Cambodian peace settlement. Thailand has backed Japan's proposal to enlarge the dialogue between Asean and its dialogue partners to include political and security aspects.

Anan will certainly welcome Japan's continued desire to play a constructive political and security role in Southeast Asia.

While Thailand has not expressed any objection to the Japanese government's intention to send its self-defence forces as part of the United Nations-sponsored peacekeeping activities overseas, Anan is unlikely to endorse the idea during his visit. He is not going to make a unilateral stand on such a sensitive issue that has implications toward Asean.

Asean has not reached a consensus on the proper security role for Japan in the region, and a clearer stand will only emerge after the upcoming Asean summit, scheduled for late next month in Singapore. Senior Asean officials are preparing a political report for their heads of government, which will include Asean's perspective and policies of the major powers.

Beyond the traditional issues, Thailand will call for more Japanese cooperation in terms of financial assistance and technological know-how in environmental protection and pollution prevention. Japan's Ministry of International Trade and Industry has proposed setting up a regional coordination centre in Thailand as part of Japan's "Green Aid Plan" to assist Asia's developing countries to fight growth-induced pollution. The centre will provide research facilities, transfer of technology and training of officials. Last year, Japan set up a centre for environment research and training as part of the Kaifu administration to make Japan play a larger role in global issues.

Finally, as Japan has begun to link democratic developments and human rights with future aid to recipient countries, Anan's visit to Japan at this juncture will seek to provide an added assurance to Japan's leaders that despite a political setback after the February coup, Thailand will continue with its March toward democracy.

Editorial on 'Cracks' in Cambodian Peace Accord

BK0512023191 Bangkok THE NATION in English 5 Dec 91 p A8

[Editorial: "Cracks Begin To Appear in Cambodian Peace Accords"]

[Text] Former United States Ambassador to Cambodia John Gunther Dean said late last week that the Khmer peace agreement signed in Paris on Oct 23 "may not be the best solution, but it was the best out of existing alternatives." This statement has a lot of truth in it, and Dean, who has had contacts with Cambodia since 1974, could certainly explain why cracks in the peace accord are beginning to appear just more than a month since it was signed in Paris' Kleber Centre.

It's common knowledge that the peace accords themselves would not have been signed if the permanent five members of the United Nations' Security Council had not compromised on their vested interests and foreign policy considerations.

China was the backer of the genocidal Khmer Rouge, while the United States was bank-rolling the non-communist resistance factions through covert and non-covert CIA aid. The Soviet Union (until its present state of disunion and near bankruptcy) was backing Vietnam economically, which in turn propped up a Hanoi-backed government in Phnom Penh. The other two Perm Five members—Britain and France—also had their links with the non-communist factions.

The tide turned when China and Vietnam decided to normalize their ties severed after the Sino-Vietnam war in 1979. Finally, the collapse of the Communist Party of the Soviet Union prompted the United States to be more conciliatory towards finding a solution to the drawn-out Cambodian conflict, which has been going on for the past 13 years.

The UN-sponsored Paris peace accords were based on a peace plan formulated and devised by the Perm Five which was presented to the Khmer factions, after going through a series of compromises in the Jakarta, Phatthaya 1 and Phatthaya 2 talks this year. The pertinent point to be made here is that no Khmer consensus was ever reached in the initial formulation of the peace plan.

When the final draft was presented to the factions early this year, the Khmer Rouge tried to use it to dismantle the Phnom Penh government with regard to the proposed election process in post-war Cambodia. Phnom Penh on the other hand wanted it amended to eliminate any chance of a return to power by the Khmer Rouge, whose reign of terror between 1975 and 1978 led to the deaths of over a million of their fellow-countrymen. Logically speaking, the Perm Five had a very Western-based peace solution for a typical Asian problem, and it comes as no surprise that the flaws are beginning to show now.

The first crack that has appeared is the convening of the Supreme Naitonal Council (SNC) meeting in Phnom Penh provided for in the Paris Peace Accords, which was supposed to have been held sometime this week. Due to abnormal circumstances, Prince Norodom Sihanouk, the recognized head of state of Cambodia, called for the UN-mandated SNC to meet in Thailand after demonstrators stormed into the Khmer Rouge residence in Phnom Penh and beat up Khieu Samphan, the nominal president of the Khmer Rouge.

Khieu Samphan had just arrived in Phnom Penh to take up a policy-making seat on the SNC, which is to represent Cambodian sovereignty until UN-supervised elections can be held in 1993. The Perm Five have always maintained that the Khmer Rouge must be included in a settlement because it is the largest resistance group and the most dangerous when isolated in the jungles.

On Sunday, two days before the start of the SNC meeting in Phatthaya, the Khmer Rouge said they were holding out against returning to Phnom Penh because they wanted the United Nations' Transitional Authority in Cambodia (Untac) to be involved in guaranteeing their safety, rather than Phnom Penh Premier Hun Sen's police force.

However, at the conclusion of the SNC meeting on Tuesday night, the Khmer Rouge agreed to return to Phnom Penh based on a Perm Five security arrangement whereby the UN would assist in providing them protection. It seems that the Khmer Rouge will be housed at the SNC headquarters at Wat Phnom.

But the Perm Five arrangement for the Khmer Rouge seems to be flimsy in that there are no guarantees that there will be no further demonstrations against the Khmer Rouge like that on Nov 27. In fact, yesterday in Phatthaya Hun Sen said again that he would not bar further demonstrations against the Khmer Rouge when the faction's leaders return to the Cambodian capital. The crucial question is if an organized mob goes berserk again on seeing Khieu Samphan, can the UN peacekeeping forces intervene without antagonizing Phnom Penh?

The second problem in the peace accords is the alliance between Prince Norodom Ranariddh's Funcinpec and Hun Sen's Cambodian People's Party. The coalition has been formed rather prematurely, even before the deployment of Untac, which is expected next August, to supervise the UN-sponsored elections in early 1993. The role of the SNC has been eroded with the Khmer Rouge and the Khmer People's National Liberation Front (KPNLF) further marginalized in post-war Cambodian politics. The KPNLF is a virtual paper tiger, with its commanders being former Lon Nol officers without any clear political objectives, but the Khmer Rouge can return to their armed struggle if isolated from the decision-making process of post-war Cambodia.

Referring every post-war Cambodian problem to the UN only serves to show how fast the Perm Five members want to wash their hands of the country. There has to be a realization that the UN has its limits and at the present moment is strapped for funds. It is expected that the UN's US$1 billion budget for its operations in Cambodia could be cut because of the failure by certain member governments to pay their obligatory contributions to this year's and 1990's regular bugets.

Peace on paper and peace in the field are two different things. Unless the Cambodian factions themselves want the Paris accords to work, no amount of post-war Perm Five consultations or UN interference can prevent the Cambodians from going for each others' throats again.

Phatthaya Talks Test 'Cohesiveness' of SNC

BK0512021591 Bangkok BANGKOK POST in English 5 Dec 91 p 4

[Editorial: "SNC Passes Tough Trial by Ordeal in Phatthaya"]

[Text] The agreement reached in Phatthaya on Tuesday under which Khieu Samphan and other senior Khmer Rouge officials will return to Phnom Penh under a security arrangement worked out during a meeting of the Supreme National Council, Permanent Five representatives, the co-chairmen of the Paris peace conference and UN Secretariat is anything but routine.

Despite the deceptively casual atmosphere which hid the tension, and emotions which at times ran high, the Phatthaya talks headed by Prince Sihanouk put the fledgling Supreme National Council (SNC) partnership on trial and tested its cohesiveness—the first real challenge since the cream of international diplomacy managed to transform it painstakingly from a pipe dream into reality. Had the meeting disintegrated into factionalism and the Khmer Rouge used the collapse as an opportunity to scrupper the Paris Peace Accords and resume the bloody civil war aimed at sole dominance of Cambodia, the country would have been thrust into a new dark age and reconciliation once again turned into a dirty word requiring a bare modicum of lip service.

It must be acknowledged that the Khmer Rouge, however despicable their genocidal past, showed a practical political maturity in the aftermath of the mob violence perpetrated against their top leadership. A couple of years ago it would have been more in character for the guerrilla faction to condemn such an action as a deliberately-orchestrated provocation and mount vicious reprisals. True, there were mutterings of unnamed third parties but no overt threats. Few observers of the intricacies and excesses of Cambodian politics ever thought they would live to see the day the Khmer Rouge turned the other cheek, but such was achieved during the Phatthaya meeting, further compounding its success.

The next time the SNC meets it will be in Phnom Penh and the Council will not be buttressed by emissaries of friendly nations hovering nearby in case any diplomatic fence-mending is necessary. Although it will be acting on its own as the authority guiding Cambodia towards the 1993 elections, the world will be watching and expecting restrained statesmanlike behaviour with no attempt at point-scoring or score-settling. Outside, police and UN forces will have an equally tough job ensuring—as ensure they must—that there is no repeat of the violent demonstrations that so nearly sabotaged the fragile agreement holding the former warring factions together. There is ample precedent for concern.

Khieu Samphan was physically assaulted in public in Phnom Penh once before and history documents the disservice these goons did to their country. When he was a leftist deputy of the Sihanouk parliament in the early 1960s, Khieu Samphan was beaten, stripped naked, and photographed for the next day's newspapers. Shortly afterwards, he disappeared. Only years later did Cambodians discover he had joined Pol Pot's hard-hearted Khmer Rouge movement, where he quickly became a Communist Party ideologue. He was a leader of the bloody war which overthrew the Phnom Penh regime in 1975, and has remained an important official of the misnamed "Democratic Kampuchea" faction ever since. In recent years, he has earned something of a reputation outside Cambodia as a "moderate" diplomat.

The United Nations presence—which did not accomplish anything in the Khieu Samphan incident—is now going to get one of the least enviable but crucially important jobs in the country—that of establishing a protective buffer zone between the Khmer Rouge leaders in the SNC headquarters and the hatred many Khmers outside hold for the thugs who brutalised them for four long years. The Hun Sen government is going to have to let its propaganda machine—so well-oiled for 13 years—turn to rust. Hun Sen is aware his government is partially responsible for the strong anti-Khmer Rouge emotions. Its annual Day of Hate, its many gruesome displays of skeletons, and its constant outpouring of rhetoric have helped to keep the hatred alive and burning, but now the difficult time has come to try to bury the horrific past. The inexperienced UN team in Cambodia must also quickly get its act together and be at maximum readiness to deal with the unexpected.

All Cambodians will be given the opportunity to voice their disapproval of the Khmer Rouge if they wish—but at the polls. A permanent end to war is at stake and must not be jeopardised through rash acts by the public or through the self-interest of politicians.

There are those who feel Khieu Samphan and the small handful of other Khmer Rouge leaders should be tried as international criminals. Perhaps they are right. But the agreement among Cambodian factions and the international community stipulated otherwise. The Paris agreement made the Khmer Rouge equal partners in a four-party attempt to move Cambodia onward to freedom and democracy. All factions agreed they could not win the senseless battlefield conflict which raged for years. No formula apart from gathering in Phnom Penh for extended political discussions could be found. Lynch-mob justice has been the rule for far too long in that sad country. The entire point of the Paris agreement is to stop such actions and point Cambodia towards a civilised future acceptable to all.

With restraint and discipline the SNC should be able to overcome its difficulties and make its first meeting in Phnom Penh as successful as this week's one in Phatthaya. Any person or persons who cause it to be otherwise will find themselves answering to a most unsympathetic world community.

Suchinda Confident of Draft Constitution's Passage

BK0512013591 Bangkok BANGKOK POST in English 5 Dec 91 p 1

[Text] Army chief Gen Suchinda Khraprayun last night expressed confidence that the National Legislative Assembly would pass the draft constitution in its third and final reading on Saturday after which "things would returnd to normal"

Gen Suchinda said everyone who listened to His Majesty the King's address to the nation yesterday would now understand better the gravity of the situation and the consequences of delaying passage of the draft charter.

As a result, he said, there would be no more trouble over the issue and the situation throughout the country from Saturday on would become peaceful.

The King called on all parties concerned to compromise over the draft charter rather than let it escalate and lead to violence. He advised that amendment to the charter should be made later wherever appropriate.

The army chief's comment came in the face of nationwide opposition to the draft constitution, criticised as "undemocratic" and designed to perpetuate the power of the National Peace-keeping Council [NPKC] after the general election.

Gen Suchinda said the NPKC prefers to see the general election take place in early March though the Anan Government wants it held between March 23 and 28.

Navy Commander Denies Political Rift in Military

BK0512015591 Bangkok BANGKOK POST in English 5 Dec 91 p 3

[Text] The Nvay commander-in-chief yesterday denied reports the armed forces were being split in two, one camp favouring a return to the barracks and the other the retention of power after the next general election.

Adm Wichit Karunyawanit said the three armed forces wings would certainly not engage in conflict or hang on to power through the National Peace-keeping Council [NPKC] after the general election, scheduled for March.

Adm Wichit, who now also serves as deputy interior minister, said unity among the armed forces was a constant proposition.

"The armed services are still united. There has never been division," he said.

Supreme Commander Gen Suchinda Khraprayun had confirmed the military would have no role in post-election politics, said Adm Wichit.

Armed forces representatives sitting in the National Legislative Assembly will use their own discretion whether to support the present draft constitution at its third and final reading Saturday, he said.

"The other armed services representatives will decide for themselves."

Adm Wichit said he thought the draft charter was now satisfactory and any amendments could be made by the post-election government.

"What is unsatisfactory to the people can be amended later in Parliament. The constitution issue has not run into any dead-end."

The Navy chief denied the NPKC was responsible for the draft charter.

Two Music 'Pirates' Agree To Copyright Practices

BK0512020391 Bangkok BANGKOK POST in English 5 Dec 91 p 30

[Text] Two major Thai music tape pirates and the International Federation of the Phonographic Industry (IFPI)—an enforcement arm of foreign music tape producers—have agreed to settle their dispute.

IFPI deputy director Khanit Luengsirirot told Business Post that after long negotiations to settle the row over music tape pirates in Thailand, the two major audiocassette producers—Standard Group and Lepso—had agreed to end their practice and to apply to become agents of foreign copyright-holders.

The two companies have an almost 80 percent share of taped foreign music on the Thai market.

He said the agreement was reached after Witun Manomaikun of Standard Group and Wisa Laokaewnu of Lepso held talks with IFPI (Southeast Asia) regional director for Asia Giouw Jui Chian in Singapore last month.

"Since early this month they have started to produce new audiocassettes of foreign music under copyrights of Sony Music, Polydor, Warner Brothers and CBS Records, and have released them locally."

Mr Khanit said that under the agreement, Thai tape producers would produce new releases of foreign singers, and its cassettes manufactured under licence would be sold for about 70 baht per item.

In exchange, the IFPI agreed to withdraw any legal action against the two Thai producers and to provide a grace period for them to clear their stocks of copied tapes on the local market. However, Mr Khanit said so far four groups of Thai tape producers—Super Peacock, Sky, CMC and Green Club—had ignored the call to stop making copied tapes.

He said the two representatives of Standard Group and Lepso had told the IFPI to take legal action against these four groups.

The Economic and Financial Crime Suppression Division's trade and commercial investigation deputy superintendent, Pol Lt-Col [Police Lieutenant Colonel] Rattawit Saentawisuk, said the campaign to crack down on suspected music pirates was likely to begin next week.

He said he was pleased with the agreement reached with two tape producers and had asked the Commerce Ministry to inform the United States Trade Representative [USTR] in Washington and the European Community Commission in Brussels, in the hope they would drop their cases against Thailand.

"I am confident the USTR will be satisfied with the copyright enforcement and will ease pressure to impose trade sanctions against Thailand under Special 301 of the US Trade Act," he said.

The USTR will make a final decision by December 23 on whether or not to retaliate against Thailand over copyrights.

Vietnam

Spokesman: Sihanouk Visit Invitation Still Open

BK0512083991 Hong Kong AFP in English 0829 GMT 5 Dec 91

[Excerpts] Hanoi, Dec 5 (AFP)—Vietnam is keeping open its invitation to Cambodia's Prince Norodom Sihanouk to visit Hanoi whenever he has the time, a Foreign Ministry spokesman said Thursday.

His statement came as the prince said in Thailand that his visit to Vietnam, planned for this month, had been vetoed by the Khmer Rouge and former Prime Minister Son Sann.

The Khmer Rouge accused Vietnam of being behind the mob attack on their leader Khieu Samphan in Phnom Penh last week in which he narrowly escaped with his life.

Hanoi has denied the allegations.

On his return to Phnom Penh on Thursday from Phatthaya, Thailand, where he attended a meeting of Cambodia's Supreme National Council [SNC], the prince said "my visit to Vietnam and Laos is not cancelled, but I have to stay (in Cambodia). I am quite busy."

Prince Sihanouk has pledged to make his first trip abroad as head of the SNC—Cambodia's interim authority pending elections—to Vietnam which ousted the Khmer Rouge government of Pol Pot in 1979.

The Foreign Ministry spokesman said Hanoi's invitation was given to Prince Sihanouk when he became chairman of the SNC in August this year. Vietnam "understands" his decision, but the invitation to the prince and to Cambodian Prime Minister Hun Sen remains open, the spokesman added. [passage omitted]

A Vietnamese source close to official circles said the cancellation probably resulted from pressure from China, the main backers of the Khmer Rouge.

Beijing cancelled a visit to Phnom Penh by Foreign Minister Qian Qichen following the attack.

"It is normal that there will be complications in the implementation of the Paris accords (under which the SNC was set up)," the Vietnamese source said, adding he hoped that "with time these matters will be resolved."

Air Defense Force Meeting Marks Cuban Army Day

BK0512092191 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 30 Nov 91

[Text] The Air Defense Force, on behalf of the armed forces throughout the country, held a solemn meeting in Hanoi on 29 November to mark the 35th founding anniversary of the Cuban Revolutionary Armed Forces [CRAF], 2 December 1956-2 December 1991.

Attending the function were Senior Lieutenant General Tran Van Danh, deputy minister of national defense representating the National Defense Ministry's Foreign Relations Department; Lieutenant General Tran Nhan, commander of the Air Defense Force; and a large group of cadres and combatants of the Air Defense Force.

Also attending the meeting, on the Cuban side, were Comrade Armando Saucedo Yero, Cuban ambassador to Vietnam and his wife; Lieutenant Colonel (Nigan Samatin Torrente), Cuban military attache to Vietnam; and officials of the Cuban Embassy.

Lt. Gen. Tran Nhan delivered a speech warmly welcoming the glorious traditional day of the CRAF—the unyielding revolutionary forces founded and forged by the Communist Party of Cuba and esteemed Comrade Fidel Castro.

During the past 35 years, the CRAF has sacrificed its flesh and blood for the cause of liberating the nation and mankind from the yoke of colonialism and imperialism as well as for fufilling the lofty international obligations. It is undoubtedly that the Cuban party, people, and the heroic CRAF will overcome all difficulties and obstacles arising from special circumstances of the current history, and will triumphantly implement the lofty tasks set by the Fourth Communist Party of Cuba Congress.

Lt. Gen. Tran Nhan asserted the increasingly strengthened solidarity and friendship between the peoples and armies of the two nations.

In response, Lt. Col. (Nigan Samatin Torrente) sincerely thanked the Vietnamese people and Army for highly appraising the CRAF. He asserted that the Cuban people and CRAF, with support from and solidarity with progressive people from all over the world—including the fraternal Vietnamese people and Army—will certainly be able to fulfill all tasks, thereby firmly defending the glorious revolution of the Socialist Republic of Cuba.

Romanian Trade Delegation Visits, Signs Accord

BK0512080691 Hanoi VNA in English 0638 GMT 5 Dec 91

[Text] Hanoi VNA Dec. 5—An agreement on trade and payments between Vietnam and Romania was signed her yesterday by Ta Ca, deputy minister of commerce and tourism, and Napoleon Pop, state secretary, chief of the Foreign Trade Department of the Ministry of Trade and Tourism.

The agreement was concluded at the end of a nine-day visit to Vietnam by a Romanian Government trade delegation.

During its stay here, the Romanian delegation held talks with a Vietnamese trade delegation on the promotion of economic and trade ties between the two countries.

The Romanian guests were received by Trade and Tourism Minister Le Van Triet. They called on a number of business and production establishments, and had working sessions with the state committee for cooperation and investment to study possibilities of trade and tourist cooperation between the two countries in the coming period.

French Institute Presents Medical Equipment

BK0412161991 Hanoi VNA in English 1226 GMT 4 Dec 91

[Text] Hanoi VNA Dec.4—The Pasteur Institute in Paris has presented the Pasteur Institute in Ho Chi Minh City with medical equipment, materials, chemicals and biological products for tests regarding HIV and other viruses.

With the donation, the capability of the AIDS laboratory of the local institute will increase considerably. Moreover two experts from the Paris Institute have come to cope with the AIDS problem for two years.

The local institue so far has tested 4,000 blood samples for HIV. One was positive.

HIV can be a potential threat to the Mekong River Delta provinces due to broadening trade with other countries. Medical groups are now covering the region to conduct tests for highrisk groups.

Officials Meet, Discuss Current AIDS Situation

BK0512100191 Hanoi Voice of Vietnam Network in Vietnamese 0015 GMT 1 Dec 91

[Article by Tieu Lien in "International Topic" program, reviewing AIDS in the world and international cooperation in Vietnam in anti-AIDS work]

[Summary] "Today, the entire world is worrying about AIDS because of its great danger and that there is no cure for it. AIDS is occurring on every continent and spreading rapidly.

"According to WHO, as of October this year, 163 countries discovered AIDS carriers in their countries. The WHO also predicted that by the year 2000, there will be 40 million people affected by the HIV virus, including 10 million children, and there will be between five to 10 million deaths from AIDS a year.

"In the 90s, AIDS may kill four percent of the population of San Francisco, three percent of New York population, and 15 percent of the population of East Africa and Central Africa. AIDS is a terrible threat to mankind. Many AIDS specialists even call it "the challenge of the century."

At present, many countries have spent a great deal of money to set up anti-AIDS funds in an effort to halt the disease.

Vietnam formed the National Anti-AIDS Committee with the WHO's assistance. On 30 November in Hanoi, the Anti-AIDS Committee held a meeting to welcome the World Anti-AIDS Day.

"Speaking at the meeting, Professor Pham Song, president of the National Anti-AIDS Committee spoke about latest information on AIDS in Vietnam. He said that out of 67,600 blood tests, they discovered one Vietnamese and 49 Thai fishermen living in the provinces of South Vietnam infected by HIV. The professor expressed his desire for cooperation in AIDS prevention with all national sectors and levels and international organizations."

Representatives at the meeting from the UNDP [United Nations Development Programs] and the WHO stated that they wanted Vietnam to cooperate with the international community in preventing AIDS. They also promised to continue providing financial assistance to the anti-AIDS work in Vietnam.

Australia

Australia Said 'Firmly Entrenched' in Recession

BK0512061291 Melbourne Radio Australia in English 0500 GMT 5 Dec 91

[Text] The Australian Government is under renewed pressure to ease interest rates following a shock result in the latest national account figures. The country's gross domestic product [GDP] has declined by 0.3 percent. Radio Australia's financial reporter, Camilla Keith, says the further contraction in the GDP meant Australia is firmly entrenched in recession.

[Begin Keith recording] GDP was expected to show a strong improvement in the September quarter following signs of recovery in the housing and retail markets. However, today's result of -0.3 percent confirms the country is very deep in recession. GDP has now not grown for five successive quarters, and the hardest hit factor is farm product, which fell by more than 16 percent. One farm product has recorded a modest rise—its first in more than 12 months—and exports of goods and services managed to outpace import in the September quarter. [end recording]

The country's opposition has described the drop as further proof of the government's mishandling of the economy. And Australia's treasurer, John Kerin, has admitted the latest figures are unexpected.

Fiji

'Interference' by Foreign Trade Unions Attacked

BK0512062591 Melbourne Radio Australia in English 0600 GMT 5 Dec 91

[Text] In Fiji, a government minister says the country will not tolerate interference in its internal affairs by foreign trade union organizations. The minister for employment and industrial relations, Taniela Veitata, says any government should be free to administer its affairs without interference.

His comments follow report that the International Confederation of Free Trade Unions will ask its affilitates to support the Fiji Trade Union Congress in its fight against stringent new labor laws. The congress said the laws banned strikes without six weeks notice, limit access to union membership for public servants, and impose heavy fines and imprisonment for unlawful strike action.

New Caledonia

PNG Prime Minister Namaliu Meets Local Leaders

BK0512061091 Melbourne Radio Australia in English 0500 GMT 5 Dec 91

[Text] Papua New Guinea's [PNG's] prime minister, Rabbie Namaliu, is currently in New Caledonia on an official four-day visit. Mr. Namaliu says his trip to the French territory is prompted by his country's interest in the planned referendum on independence in 1998.

He has already met High Commissioner Alain Christnacht; prominent anti-independence figure and parliamentary deputy Jacques Lafleur; and Paul Neaoutine, president of the pro-independence Kanak Socialist National Liberation Front.

He has also held talks with officials of the Caledonian Union.

Papua New Guinea

'Adequate' Bougainville Medical Supplies Reported

BK0512063391 Melbourne Radio Australia in English 0600 GMT 5 Dec 91

[Text] The International Committee of the Red Cross says the rebel-held island of Bougainville now has adequate medical supplies. It says there is no longer a significant shortage of primary health care workers or basic drugs.

The Red Cross representative who visited Bougainville last week, Dr. (Damien Volspat), says the main medical problems now are due to the absence of hospital services.

The island has been under a partial blockade by Papua New Guinea since May 1990 when it attempted to secede.